Wartime Investing, Post Prize Article (Page 8)

THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXXIII Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, NOVEMBER 18, 1939 10c a Copy; $5.00 a Year No. 46

The Nation's Business

Guideposts for Wartime Investment

THERE is a world of information for investors and for all connected with the investment business in the exceptionally fine articles received by The Financial Post in its recent "Investing in Wartime" contest.

This contest brought response not only from "professionals" but more especially from everyday investors —men and women in towns, cities and farms across Canada. The entries revealed that Canadians of modest or ordinary means, even though they may not have been actively in the "market," have been continuously studying investment problems and have worked patiently at perfecting their own investment philosophy to meet new conditions of war.

The entries suggest that despite the apparent apathy of investors toward the "market" there is a potent opportunity for investment organizations who give similar thought and study to application of proved methods of protecting capital.

To the winner of the first prize, S. C. Scobell, of Montreal, and to other prize winners, The Financial Post extends its congratulations. To other entrants who helped make the contest such a success it extends thanks.

* * *

Tourism Would Gain By Short-wave Radio

LEO DOLAN, head of Canada's travel bureau, has warned against the fantastic stories now circulating in the United States to frighten Americans away from Canada. He attributes these to Nazi propaganda. Americans are being told all manner of untruths and scare stories about Canada. Tales of kidnapping and conscription, of food rationing and the like are being circulated maliciously in an effort to keep U. S. citizens away from this country.

Such falsehood and misrepresentation may do untold damage not only to the Allied cause but also to a business which brought $275 millions of new money to this country last year. At a time when the premium on U. S. funds makes $10 do the work of $11, and when European conflict has curtailed customary travel opportunities in many parts of the world, Canada should be looking forward to the greatest travel boom in her history. If such stories are allowed to go unanswered this opportunity to attract visitors here in larger numbers than ever before will be seriously jeopardized.

* * *

HAD Canada a short-wave station of her own, a valuable job of education and merchandising on behalf of Canada's tourist attractions could be undertaken.

Such a station could contribute not only directly to Canada's war effort by offsetting malicious falsehoods and propaganda against Canada which are being spread in the U.S., but it could contribute as well by convincing thousands of Americans to come and visit us. This would provide the funds whereby Canada could pay for the necessary merchandise and materials we must buy in such large quantities from the U.S. in time of war.

Leonard W. Brockington, K.C., former chairman of the CBC, urged the need for a short-wave station to act "as a powerful medium of national advertisement," when he appeared earlier this year before the House of Commons Radio Committee. Rene Morin, newly appointed chairman, is equally favorable to the plan as indicated in an interview with The Financial Post, elsewhere in this issue.

In time of war, with our enemies actively seeking to break down the common bonds of goodwill between the United States and ourselves, a national short-wave station has become a vital part of our national public relations and merchandising machinery.

* * *

Open Wheat Market Must be Maintained

THE Government of Canada has been under some pressure from the wheat purchasing agent of the British Government to close the wheat market at Winnipeg. No secret is made of the fact that this step is desired in order to prevent a rise in wheat prices. A similar step was taken after two and one half years of the last war when scarcity of wheat threatened to put prices to unreasonably high levels. At that time the allied governments undertook to purchase all the Canadian wheat surplus at a price of approximately $2.20 basis No. 1 Northern at Fort William or just three times the price that has lately prevailed on the market.

If and when the wheat market threatens to register unreasonably high prices, such a step may again be justified. But it will certainly not be justified until wheat prices record a very considerable advance from present levels, nor will closing of the market be practicable so long as Canada has a considerable surplus over British and possible French needs for which it must seek a market in neutral countries. To assist in the disposal of such wheat, the regular machinery of the grain trade is essential.

A higher price for Canadian wheat is desirable on many accounts. Hope of western farmers for a reasonable increase is entirely

(Continued on page 2, col. 3)

Price - Earning Ratios Retard U. S. Investors

Economist Thinks War Factors Explain Lag of Stocks

FOREIGN SELLING

By STAFF WRITER

NEW YORK.—"C'est la guerre" is the summing up of a leading United States economist as to why the stock market has been lagging behind business.

Investors learned much from the last war, he believes, and are exceedingly cautious about this one. During the last war stocks sold for about six times earnings. Right now many U. S. stocks are selling on a basis of 12 times earnings and this is not good enough for a war-experienced investing public. Certain steel and chemical stocks sold in 1914-18 on a basis of only one or two times earnings.

Lack of confidence in the present government of the United States is only a minor factor, this economist believes. He is convinced that war conditions are the major factor.

Foreign Selling

As to the possible depressing effect of foreign selling in New York, he observed:

"I have investigated this very carefully. I find there is considerable foreign selling, but there is also a good deal of foreign buying. I estimate the net balance of foreign selling over purchases at $40 millions per month. This would prevent any rapid increase in prices, but would not account for the general depressed condition of the market. Foreign selling has been of a very gradual nature and they are definitely interested in maintaining prices, or even influencing higher prices in any way they can."

Another question that is uppermost in the minds of many investors is the part that the possibility of an early peace might play in the generally disappointing action of the stock market and what would be the probable effect of peace on individual stocks. In reply to questions on this point, this expert suggests that "fear of peace" plays an "unsettling but minor" part in keeping the stock market back. The actual coming of a sudden peace, he says, would likely cause the so-called "war babies" to drop suddenly which would carry the whole market down. Recovery would probably be gradual and rather slow.

No Business Strike

Big business in the United States is showing little or no tendency to sabotage the efforts of the Roosevelt administration to improve conditions in that country, he thinks. He points out that, with the prospect favoring re-election of the Democratic party for another five years, this leaves too long a period for a "sit-down" strike on the part of business. He doubted that President Roosevelt would be a candidate for a third term and suggested Secretary of State Cordell Hull as a likely compromise candidate or perhaps Vice-president Garner.

Canadians are already faced with an excess profits tax of imposing proportions and may find some consolation from this economist's opinion that the next session of Congress may pass a similar impost, probably modelled closely along the lines of the Canadian legislation now in effect. Talk of a tax as high as 85% of the excess over average earnings for the last four years, he says, is much too high. Anything of this nature would mean a setback to business and the political significance of any actions of the coming

(Continued on page 2, col. 3)

Simpsons Ltd. Profit Higher

Recent Earnings Experience Better Than in 1914

Sales and earnings of Simpsons Ltd. in the year to date have increased over the same period last year, The Financial Post is informed.

In the past six weeks buying has been considerably stimulated and it is expected that 1939 will show gains over the preceding year. While there have been disturbances of sources of supplies, it is not expected that disruption will reach serious proportions.

Comparison with a similar period during the last Great War shows that the company's experience in the present conflict has been more satisfactory than in 1914. For a comparable period in the latter year sales dropped from a corresponding period in 1913, while on the occasion of the present war sales have jumped.

In the year ended Jan. 4, 1939, net profit amounted to $839,094, equivalent to earnings of $7.46 on the 6½% preferred stock of $100 par value. This compares with $807,648 and $7.18, respectively, in the preceding year.

Approximately 90% of the 6% preference stock of The Robert Simpson Co. has been exchanged for the 4½% first mortgage bonds of Simpsons Ltd. The Robert Simpson preference shareholders were offered the parent company bonds in an effort to simplify the capital structure of the organization on the basis of $135 principal and interest of bonds for each preference share.

Contracts Probe Now Urged

"Sweeping Investigation" of Defense Contracts Demanded By Winnipeg Paper—Prudent Course For Mr. King

In an editorial, reprinted elsewhere in this issue (page 6), the Winnipeg Free Press discusses Dr. Manion's protest against patronage and favoritism in the conduct of public business.

The Free Press wonders why the Leader of the Opposition has only now made up his mind to take determined action. It points out that for almost 18 months the late Minister of Defense, Hon. Ian Mackenzie, has been under fire in its own and other newspaper columns, without the Conservative party appearing "too greatly concerned" about the matter.

Says the Free Press:

> "It was a matter of deep regret to many people across Canada—and not least to the Free Press—that the revelations regarding the Bren Gun contract were not immediately followed by a reorganization on sweeping lines of the Department of Defense. That reorganization took place only after the outbreak of war, and the decision then taken to replace the Minister and the Deputy Minister with men who had the confidence of the country, were steps which were hailed as a token of the honesty and sincerity of purpose of the Government."

The Free Press thinks that rather than wait until Parliament meets, the Government should immediately institute "the most sweeping investigation into the contracts and arrangements made by the Department of Defense under its former administrators." It believes such a study would facilitate rather than impede our war effort, would satisfy public opinion and be well worth while.

It says:

> "There is no particular need to set up a Royal Commission, or to ventilate in public over a period of months the nature and circumstances of the small contracts signed before the outbreak of war. Their total amount, compared with the vast war expenditures now being made, is trifling. Important though the principle involved is, it would probably facilitate our war effort and at the same time satisfy public opinion, if the announcement were made that every contract made from 1935 to the fall of 1939 was to be re-examined and overhauled in the light of the present facts; and that prompt action would be taken to deal with any unfairness or incompetence that was uncovered. We venture the guess that it would be found worth while.
>
> "This would be the prudent course for Mr. King to follow—not only for the sake of himself and his political fortunes, but for the general impression of zeal, competence and fairness which it would properly engender in the public mind. Failure to do so might well precipitate a controversy of a kind damaging to our war effort itself."

* * *

The suggestion of the Free Press that all defense contracts should be thoroughly examined is a good one. But if the best results are to be achieved there must be a disposition on the part of the Government to probe thoroughly and act fearlessly on the basis of what it learns. Ottawa's policy at the moment seems to be to deny that there has been any political favoritism or that any contracts have been let in an unbusinesslike manner. The Prime Minister, in his reply to Dr. Manion, pretended that he had never had any evidence laid before him of such methods, a ridiculous stand for him to take in the light of The Financial Post's revelations.

There are a number of specific phases of government contracts that should be inquired into with particular care.

One is the matter of cost-plus contracts containing no adequate safeguard or limit on costs and profits.

Another is the manner of selecting contractors for jobs when public tenders were not called for. For instance, why were political friends favored in so many contracts?

A third is the method used in opening tenders.

Still a further point worthy of inquiry is the degree to which "middlemen" appeared in so many contracts. Sometimes they were individuals or groups owning no plants who got contracts and "farmed" them out to other concerns, presumably at a profit to themselves. Others were people who bought a piece of property at one price and shortly after sold it to the government at an enhanced value.

* * *

A small example of a property in Montreal bought for $12,000 and sold seven months later to the Department of National Defense at $18,000 was mentioned last week. Hon. Norman McL. Rogers, in a telegram to The Financial Post, says:

> "Upon examination of departmental files I find that I am responsible for recommendation to Council for purchase of property on Sherbrooke Street West, Montreal, referred to in your issue of November 11. I was acting Minister of National Defense while Mr. Mackenzie was attending Coronation and Imperial Conference in England. My recommendation was based solely upon reports and advice of departmental officers after extended negotiations for the purchase of this property. No representations were made to me from any other quarter."

Mr. Rogers's statement is frank and is appreciated. But does it add much to the story? The Financial Post made no accusation that in this case the Minister or any official was unduly influenced. It said that a single example of a too substantial middleman's profit might mean little. But it called attention to the fact that the same type of quick profit seemed to appear over and over again in government operations.

* * *

If the Government feels that all the defense contracts and purchases of the past few years will stand the light of a thorough examination it should not hesitate to accept the suggestion of the Winnipeg Free Press. Certainly there is throughout Canada a feeling—based upon very definite and positive evidence—that patronage and unbusinesslike methods have prevailed in the Canada's defense preparations.

Certain actions have been forced upon the Government already as a result of the arousing of public opinion. A strong and independent War Supply Board has taken over defense buying. A new minister and two able acting deputies have been appointed to head the Department of National Defense.

But old and unfavorable contracts apparently still remain in force. The Prime Minister retains in Canada's war cabinet Hon. Ian Mackenzie, whose management of our defense preparations was appallingly bad. The deputy minister, Major-General LaFleche, has not been removed from office; he is still officially the deputy minister, on leave of absence. The Financial Post has asked if this is Mr. King's judgment on the evils under discussion. The country has a right to take it that Mr. King has thus expressed his approval of Mr. Mackenzie's contracts and methods. The Prime Minister has evaded the issue of patronage, contenting himself with a statement that there is no patronage in things connected with the conduct of the war which is far different from eliminating patronage entirely.

If Mr. King condones patronage and unbusinesslike methods in defense matters under the Mackenzie regime, and if he has barred out patronage from defense matters only, then the clear implication is that anything still goes in other departments.

That is not good enough to satisfy public opinion.

United Fuel Reports Much Better Earnings

Earnings of United Fuel Investments Ltd., and subsidiaries for the six months ended Sept. 30 increased to $108,762, before income taxes, from $56,328 for the corresponding period of 1938.

This increase was due principally to increased sales of coke, brought about by colder weather and a brisker demand in September.

Laura Secord Candy Sales Show Increase

Sales of Laura Secord Candy Shops in October of the current year showed a gain over the same month last year, John D. Hayes, president, told shareholders at the annual meeting.

J. F. Lash was elected to the board of directors. Rolph R. Corson was elected last week.

Montreal Hope Is Quebec Aid For Treasury

City Will Have Difficulty in Balancing 1940-41 Budget

RELIEF A PROBLEM

From Our Own Correspondent

MONTREAL.—City of Montreal authorities have high hopes that constructive steps will be taken by the new Quebec Government to assist Montreal to solve its financial problem.

Montreal's financial difficulties have not been in the forefront of the news in recent months, especially in view of the provincial government's financial problem. However, the situation remains unchanged.

The city is still faced with a serious financial crisis. Little effort has been made to tackle the problem. Unless something is done in the next few months there is bound to be a repetition of the difficulties in meeting bond maturities earlier this year. In 1940 the city has to meet about $10 millions of maturing bonds.

Parts of these loans are renewable at maturity and in the normal course of events would be refunded. However, unless steps are taken to solve Montreal's difficulties, the bond market is not likely to be receptive to Montreal loans, especially in view of the large bank loans.

Recently there has been some improvement in investment sentiment toward Montreal bonds, and prices of the bonds have appreciated. This is largely due to expectations that the new government will undertake to improve Montreal's situation.

At the moment nothing is known as to what the attitude of the new Quebec Government will be toward Montreal's problem. The amount of assistance it can give the city is restricted by its own financial problem. However, Montreal financial problem is to some extent part and parcel of that of the province.

Highlights

Real estate in the present war should fare better and fluctuate less widely than in the last war. The chief factors in the present outlook, both favorable and otherwise, are appraised in a staff survey.

War Strengthens Realty—p. 11.

* * *

Gold mining operators have thus far been benefitted by war effects. But potential difficulties looming on the horizon make it difficult to appraise the long-term prospect.

Early War Effects—p. 19.

* * *

Pattern for repatriation of British-held Canadian and U. S. securities in the present war was set by the operations by which Britain mobilized such assets in the last war. Revealing summary of methods followed 25 years ago is based on official British reports.

Securities Repatriation—p. 11.

* * *

Growth in manpower available in Canada for war purposes, as a result of population trends and immigration during the past 20 years, is estimated in a staff analysis.

Could Raise Million—p. 10.

* * *

General Index on p. 2.

Canada at War

Black Mart Hurts Dollars—p. 15
Britain's War Buying—p. 3
British Wheat Deal—p. 1
Home Front—p. 20
Investing In Wartime—p. 8
See Jump, Bacon Exports—p. 17
War Demands on Agriculture—p. 17
War Strengthens Realty—p. 11

Winners are Announced Of Investment Contest

As promised last week The Financial Post is now announcing the winners of its contest on how to invest $50,000 for a businessman in wartime. Because of the large number of worth-while and interesting entries received, it has been decided to give "Honorable Mention" awards of $25 each to eight entries in addition to the first and second prizes of $100 and $50.

The prize winners follow:

First prize $100: S. C. SCOBELL, Montreal.
Second prize $50: H. J. BIRD, Vancouver.

Honorable Mention $25 each:

D. J. Agnew, Toronto.
Thomas Andrews, Cornwall.
Brian N. Barrett, Toronto.
Allan P. Fisher, Toronto.
Leon Frazer, Toronto.
J. C. Ingram, Toronto.
Trevor F. Moore, Toronto.
J. E. C. Pangman, Toronto.

On pages 8 and 9 of this issue of The Financial Post will be found the article submitted by Mr. Scobell to which the judges gave the first prize. Other prize-winning articles will appear in coming issues of The Post.

Mount Royal Committee Seeks Board Majority

From Our Own Correspondent

MONTREAL. — Correspondence regarding a change in the board of directors of Mount Royal Hotel Co. as between A. Stewart McNichols, chairman of the Shareholders General Protective Committee, and A. L. Caron, president of the company, has been made public by the former.

In a letter to Mr. Caron dated Oct. 28, Mr. McNichols asserted that the present board does not enjoy the confidence of the shareholders and suggested its immediate reconstitution in conformity with recommendations to be made by the committee. This could be done, it was said, either by the board itself or by election at a special meeting of shareholders.

The following week Mr. Caron replied asking that recommendations be submitted, as well as any plans which the committee might have for reorganization. It was proposed that an independent committee, of which the general committee would name one representative, be established to examine any plan that might be submitted for reorganization of the company. In conclusion Mr. Caron stated that the directors "themselves as a group represent by far the largest investment in the company."

Mr. McNichols replied on Nov. 7 saying that the reconstitution of the board "must result in the replacement of a majority in number of the present directors" by businessmen "who are not in any way interested in another Montreal hotel."

Would Name Majority

The general committee seeks to place five members on the board and that it "will have no objections to four of the present directors remaining on the board provided that we are satisfied that those who remain are not either directly or indirectly the owners of securities in another Montreal hotel or otherwise interested in any such hotel."

The General Committee also desires that the present president be replaced by one of the new directors.

Another point made is that the committee will consider submitting a plan of reorganization only when the board has been reorganized.

Curtail Scope Pilot Training

From Our Own Correspondent

OTTAWA.—Pending agreement on division of cost of the Empire air training scheme now being negotiated, it has been decided to proceed upon a basis more modest than earlier forecasts indicated.

Surplus civil aviation facilities, including emergency landing fields of Trans-Canada Air Lines and other companies, as well as municipal airports, will be made available for training forthwith and additional airdromes will be added as needed. These existing surplus facilities will provide probably 30 or 40 flying fields and no additions will be necessary until next spring. Construction of hangars and barracks will proceed during the winter and will begin as soon as agreement on costs is reached. Trans-Canada Air Lines, it is learned, will not be able to permit any training use of its facilities at Vancouver, Lethbridge, Winnipeg, Toronto and Montreal.

Profit Increase Reported By Int. Paper & Power

From Our Own Correspondent

MONTREAL.—International Paper & Power reports volume of business in third quarter of 1939 at the highest level of any quarter since 1937. During September price increases were announced for many grades, but these took effect too late to have much effect on earnings for the quarter. Net profit amounted to $635,133 compared with a net profit of $77,740 for the preceding three months and $12,850 for the third quarter of 1938.

Big British Wheat Deal Still in Dickering Stage

British Suggest Closing Market and Fixed Price For Neutrals — Ottawa Seeks Compromise

From Our Own Correspondent

OTTAWA.—Conversations between Ottawa and London regarding sale of wheat to Britain are constantly under way but despite reports published widely to the effect that Britain may buy 100 million bushels, there does not appear to be much chance of agreement. In view of the great quantity of wheat on hand these conversations are of vital importance.

Contrary to general opinion, however, fairly substantial sales of wheat to Britain have been made since the outbreak of war. The prevailing view, that Britain desired Canada to close the Winnipeg market and, when this was not done, boycotted Canadian wheat, is without foundation. Britain has been a sporadic but fairly large buyer although her purchases have been in a way not to raise the market price.

Would Close Market

It is common knowledge that since the outbreak of war the British cereal authority has desired Ottawa to close the Winnipeg market and if this had been done there is little doubt that Britain would have agreed to buy a very large block of Canadian wheat, possibly something more than 100 million bushels and at a figure somewhat higher than the present market price. But if Britain also insisted that no sales be made to neutrals at a lower figure, the result might be to cut down sharply Canada's sales in the present crop year. This, it is believed, is the position presently being taken by Britain.

A substantial offer from Britain, based upon a price definitely higher than 70 cents, might at first sight appear most attractive to Ottawa, and for obvious reasons. The carryover on Aug. 1, last, was 90 million bushels. This wheat had cost the Canadian Government 80 cents per bushel a year ago and has been eating up money in storage charges since then. On top of this carryover came this year's almost record crop, now estimated at 478 million bushels. This wheat is costing the Government 70 cents per bushel.

450 Millions For Export

Thus the total wheat available in the current crop year was 568 million bushels. From this 115 million may be deducted for domestic requirements, leaving 453 million for export. So far not more than 45 million have been exported and there are, perhaps, five million bushels sold but not yet shipped.

This leaves the Government with slightly more than 400 million bushels of wheat to sell, with nearly four

(Continued on page 3, col. 4)

Exchange Body Curbs Export

Regulation Aimed at Controlling Large Foreign Investments

When the Foreign Exchange Control Board indirectly stepped in to prevent Imperial Oil and associated companies from paying dividends out of accumulated earned surplus to non-residents, it was the first public application of regulation 31 as published on Oct. 24.

Actually the Board did not prevent Imperial Oil from paying any dividend it chose. All the Board did was to refuse to issue a permit for the required number of United States dollars which would have been necessary to send around 70% of the dividend to Standard Oil, of New Jersey. If Standard, and other U. S. holders of Imperial Oil stocks, had been willing to leave the dividend in Canada, there would have been no difficulty whatever. But that this was not done is hardly surprising.

Regulation 31 amends an earlier regulation, No. 11, by stating:

> "This right of automatic conversion into foreign exchange shall not apply with respect to dividends becoming due after Oct. 23, 1939, on any shares of which 50% or more were held by non-resident shareholders on Sept. 15, 1939, or at any time subsequent to such date, or on any shares held by fewer than one hundred persons on Sept. 15, 1939, or at any time subsequent to such date.
>
> "In any such case, the company shall obtain a permit from the board before making any payment of dividends to non-residents, upon applications to be made 30 days in advance of the date of payment; in such cases a permit will be granted for payment in Canadian dollars, but the right of automatic conversion into foreign exchange will be granted only if, in the opinion of the board, no export of capital is involved."

The original regulation 11 provided that no permit is required for the payment to a non-resident of any interest or dividend on Canadian securities and that a non-resident mal obtain foreign exchange to the extent of the Canadian dollars so payable.

Control U. S. Subsidiaries

These regulations were definitely aimed at the numerous closely held, or wholly-owned, subsidiaries of foreign companies operating in Canada. There are many of these, some

(Continued on page 2, col. 4)

Orange Crush Ltd. Sells Honey Dew

Shareholders Are Offered Stock at $12.50 a Share

Common shares of Honey Dew Ltd. held by Orange Crush Ltd. are offered to Orange Crush shareholders in a letter from E. P. Taylor, president. The shares held by Orange Crush total 6,000, and are being offered at $12.50 a share.

Mr. Taylor states in his letter to Orange Crush shareholders:

> "The business of Orange Crush Ltd. is expanding and it is expected that additional working capital and plant capacity can be used to advantage. The directors of your company have therefore determined that it is no longer advisable for the company to retain its holdings of shares of Honey Dew Ltd., and that it is desirable to sell such shares and utilize the proceeds of such sale for the general corporate purposes of the company."

Application for purchase of the shares will be received by Montreal Trust Co., Toronto, to Nov. 30. Arrangements have been made for the sale to E. P. Taylor at $12.50 a share of any balance of the 6,000 shares of Honey Dew, which are not applied for by the company's shareholders.

Reinstatement Of LaFleche Regarded As Improbable

From Our Own Correspondent

OTTAWA.—Repeated rumors to the effect that Gen. L. R. LaFleche is to be reinstated as deputy minister of national defense should be taken with reserve. Information obtained in reliable quarters at Ottawa strongly indicates that this is unlikely to happen. Gen. LaFleche was given three months sick leave in the latter part of September and the Government may not decide his future until this period is about to expire. That would be well on toward Christmas.

There is no doubt that Gen. LaFleche would like to return to his post and there is no official information to indicate that he will not be allowed to do so. But the prevailing impression is that the Government will not regard him as sufficiently recovered in health to assume the heavy responsibilities involved in his former position. He was appointed by the Conservative regime in 1932.

Moreover the two men appointed to do his work are giving satisfaction and it is very doubtful if the Government will disturb them. The consensus is that Gen. LaFleche will be regarded as having earned permanent retirement. The one consideration which would modify this forecast is if the Quebec ministers decide to support him, vigorously, for reinstatement. This, however, is not regarded as probable.

It is not without significance that during the recent campaign in Quebec, Rt. Hon. Ernest Lapointe repeatedly referred to the presence in a key position in the national defense department of Col. Henri Desrosiers, associate deputy minister of the department. Mr. Lapointe spoke of Col. Desrosiers in the sense of being a permanent officer at Ottawa. Mr. Lapointe's speeches are the only clear indication of what the attitude of the Quebec ministers is likely be.

Coming In The Post

This is the age of chemicals!

To ensure progress of a young industrial country such as Canada, it must possess certain basic chemicals. What are these materials? Has Canada an adequate supply? How does the chemical industry stand in wartime?

Next week The Post will explore this situation thoroughly.

The series of Post Contest investment portfolios will continue, as well as an analysis of the most popular Canadian stocks, in the opinion of entrants in the competition.

EATON'S

Canterbury Socks

A treat to wear, these Canterbury Socks . . . fine English all wool yarns that remain soft and comfortable even after dozens of washings. Popular 6 and 3 rib . . . and every pair full fashioned, assuring snug, neat fit at all times. Plain and fancy stripe, also diamond patterns in a wide range of blues, greys, browns, greens and wine in the group.

- 6 and 3 RIB!
- STRIPES
- CHECKS
- PLAIN
- CLOCKS

Sizes 10 to 12.

PAIR

1.25

Phone TR. 5111
Main Floor Centre
and Queen Sts.

Also obtainable at EATON'S-College Street.

THE T. EATON Co LIMITED

ACME TRADE MARK

STYLISH GLOVES

Look for the ACME trademark when you buy — a guarantee of correct style and outstanding value.

ACME GLOVE WORKS LIMITED, MONTREAL

Why Not Make *Sure*?

It may be comforting, particularly in these times, to accept the belief that "what is to be will be." But would it not be wise to review your plans for the future security of your family in the light of present-day conditions . . . just in case.

All of us must realize that war brings many changes—perhaps in military service at home or abroad; perhaps in employment, in business, in family affairs. *Now* is the time to make absolutely certain that your life insurance will do all that you want it to.

Are you *sure* that your insurance money will be paid to those you have in mind? Do some of your beneficiaries no longer need as much protection, and others need more?

Do you know that you can probably increase the effectiveness of your present life insurance by anywhere from ten to thirty percent *without any additional cost to you?*

Do you know how much of your present insurance will give you an income at retirement and what the amount of that income will be?

Many such questions might be asked. Others doubtless will occur to you. A thoroughly trained Canada Life man will gladly answer them for you *with absolutely no obligation whatever.* And he may acquaint you with other facts which you should know if you are to get the *most* out of your life insurance. Why not ask him?

The Canada Life Assurance Company,
Toronto, Canada.

I would welcome an opportunity to discuss my present life insurance arrangements.

Name..............................

Address..............................

The Nation's Business

(Continued from page 1)

legitimate and represents no effort to profiteer under war conditions. The British consumer has been getting very cheap wheat for a long period due to world conditions that put a heavy burden on wheat producers and the governments in exporting countries which endeavored to assist them. It is no part of Canada's war duty to maintain such extremely low levels as have prevailed. Indeed, a higher price for Canadian wheat would so materially strengthen the whole Canadian economy and consequently Canada's ability to bear wartime burdens, as to outweigh by far any additional cost in British foodstuffs.

* * *

IT IS true that some western organizations not long ago pressed the Canadian Government to take just the step now desired by the British purchasing agent, that of closing the Winnipeg market. These are the same organizations which unsuccessfully pursued that objective for many years. Their renewed advocacy appears to have been based on a theory that without an open market the Canadian Wheat Board might have been able to arrange with the British purchasing agent a high price for western wheat.

The insistence of the British buyer on getting wheat just as cheaply as possible, and his desire to get the market closed for that purpose, should have disillusioned them by this time. There is in fact no way in which Canada can get sale of her wheat at more satisfactory prices unless and until there are registered in the market forces making for higher prices. Instead of finding it easy to arrange a satisfactory price with the British Government, such efforts on the part of Canada without the assistance of the market would be a source of friction between governments such as ought to be avoided under present conditions.

* * *

THE Winnipeg market has been registering low prices, but it is not on that account to be regarded as inefficient. The Argentine Government Grain Commission has lately been selling wheat at the Argentine seaboard at about 30 cents a bushel less than the price for Canadian wheat at the seaboard, and the Australian Government, which has taken control of wheat in that country, has been selling wheat at practically the same price as Argentina.

The Winnipeg market has at least registered the full premium value of Canadian wheat under prevailing conditions of much easier and cheaper transport. That premium value is likely to increase as shipping difficulties make it increasingly more difficult to move wheat from the southern hemisphere. But without the market to register such conditions there would be difficulty in getting them recognized.

The Canadian Wheat Board, which is to say the Canadian Government, is in a sufficiently difficult position through having accumulated, under a guaranteed price, a very large part of Canadian wheat stock. It would be in a much more difficult position if it were to allow itself to be deprived of the assistance of the open market in selling wheat.

* * *

Co-ordination Needed At Ottawa

AT THEIR annual meeting last week the Association of Canadian Advertisers heard useful counsel about the new wartime control boards recently set up to regulate business.

Grattan O'Leary warned against the lack of co-ordination between the National Defense Department, the War Supply Board and the Cabinet. He pointed out that our war effort is handicapped because these are watertight compartments. Ottawa has busied itself with setting up complex, comprehensive machinery for control of war effort and purchasing, without supplying necessary links to see that the various units work in co-ordination.

Mr. O'Leary suggests that one outstanding member of the Cabinet be freed from all other administrative routine to give his complete attention to war effort; to co-ordinate the efforts of all war bureaus, boards and agencies; to keep track of what they are doing, know at all times what they are at, and report at a moment's notice to the Cabinet or the Prime Minister.

An alternate solution would be to detach a brilliant and well-tried civil servant such as Dr. E. H. Coleman, Under-secretary of State, for such work.

Dr. Coleman is a genius at getting people to work together—witness the perfect manner in which he handled arrangements for the Royal Tour. If his talent for organization and his knowledge for governmental routine could be allowed free rein to co-ordinate Canada's war effort, we would be sure of obtaining the maximum usefulness from existing and contemplated war control machinery.

* * *

Business Warned Against Overregimentation

ANOTHER pertinent observation about wartime control was that given the A.C.A. by J. M. Macdonnell, president of the National Trust Co. Mr. Macdonnell warned against Canada finding herself at the close of the war enmeshed in a network of regimentation.

Said Mr. Macdonnell:

> "It will be almost inevitable that they (the permanent civil service) will feel that the controls they have operated during the war are to some extent at any rate to be maintained in peace.
>
> "They will find a considerable number of the community, particularly the Socialists, who will agree with them and will urge that the controls which have been established in wartime be maintained mutatis mutandis in peacetime."

What Mr. Macdonnell sought to impress on the business community was the need for maintaining sympathetic but watchful criticism if we are to avoid finding, too late, that "in fighting for freedom we have lost freedom."

Every day battles are being fought behind cabinet and governmental doors, not only at Ottawa but in local and provincial council chambers, as to the amount of freedom to be allowed Canadian producers and manufacturers in the conduct of their business. Even now vigilance is needed that the utmost freedom be permitted, consistent with a united wartime effort, and that the way be left clear for a return to democratic ways of doing business, once hostilities cease.

* * *

Municipalities Appeal Ontario Election Ban

ONTARIO'S Department of Municipal Affairs has brought municipal electors and councils roaring about its ears like maddened hornets because of its ill-advised proposal to abrogate municipal elections for the duration of war.

True, the original proposal has been considerably modified, but the whole matter has been so badly handled that there is little chance of reasonable acceptance now, regardless of inherent merit or soundness. Objection has been taken to the proposal chiefly because it was done without the opportunity for legislative discussion. Also the validity of the claim that such a step was needful to the province's war effort is rightly questioned.

Only a few days ago, Hon. Eric Cross, Ontario's Minister of Municipal Affairs, told a gathering of Ontario township and village finance officers that local government was the bulwark of democracy.

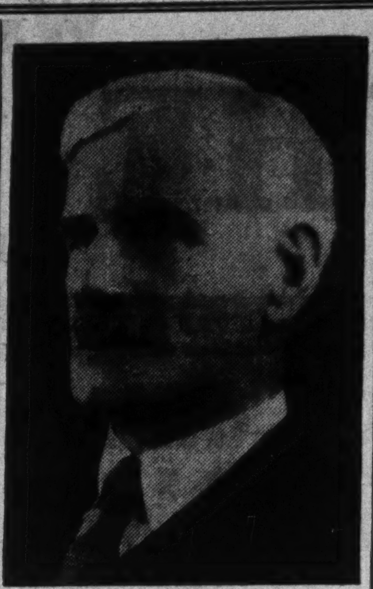
Certainly local government is the form of democracy which people understand most clearly. Except in large centres, the mayor, reeve or councillor is known to the average elector and even if a disappointingly small number of taxpayers exercise their voting rights they are rightly indignant when they feel this privilege is being taken away without proper cause.

* * *

TWO reasons are given for the Government's move: Need for economy in wartime and elimination of disturbance caused by elections.

It is difficult to believe that either of these factors would hinder Ontario's war efforts to any noticeable degree. Certainly every form of public waste and unnecessary outlay must be eliminated—especially in war—but there are other factors than cost to be considered in this instance.

There are excellent reasons for holding elections in larger centres only once in two years. But there is little evidence as yet that the urgency of the war situation requires such a step being taken under the guise of a War Measures Act.



NEW EXECUTIVE

Huntley R. Drummond (above), vice-president of the Royal Trust Co., has been elected president in succession to the late Sir Charles Gordon. At the same time it is announced that R. P. Jellett has been elected a director, vice-president and a member of the executive committee, retaining the general managership.

Investors' Index

Abitibi 12
Acadia Apts. 13, 17
Aluminum Co. 5, 20
Andian Nat'l. . 4
Asbestos Corp. . 4
Assoc. Breweries 13
Atlantic Sugar . 7
Brewing Corp. . 4
Can. Car & Fdy. 10
Candn. Cottons. 5
Canada Dry . . 4
Can. Steamships 13
Can. Inv. Fund . 13
Can. Vickers . 4, 13
Can. Wire & C.. 13
City Gas & El. 4
Consumers' Gas 12
Diver. Securities 19
Dom. Bridge Co. 20
Dom. Roll. Stk. 5
Dom. Coal . . 4, 5
Dom. Stores . . 4
Dominion Glass 12
Dryden Paper . 12
Easy Washing . . 17
Electrolux . . . 14
Hart Battery . . 13
Hayes Steel . . 17
Hiram Walker . 4
Honey Dew . . . 1
Hudson's B. Co. 14
Imperial Bank . 2
Imperial Oil . . 4
Int. Pap. & P. 1, 4
Indust. Alcohol 13
Inter. Pete. . . . 4
Jam. Pub. Serv. 15
Laura Secord . . 1
Maritime T. & T. 4
Mercury Mills 5, 13
Minn., St. P. Ry. 13
Orange Crush . 1
Paramount . . . 4
Pacific Coyle . . 4
Power Corp. . . 3
Reinhardt . . . 17
Regent Knitting 12
St. John Dry D. 13
Sherwin-Wms. . 17
Simpsons 1
Toronto Elev. . 4
Union Gas . . . 2
United Amuse. . 5
United Bd. & Sh. 5
United Farmers 17
United Fuel . . 1
Un. Grain Grow. 17
Winnipeg Elec. . 13

MINES AND OILS

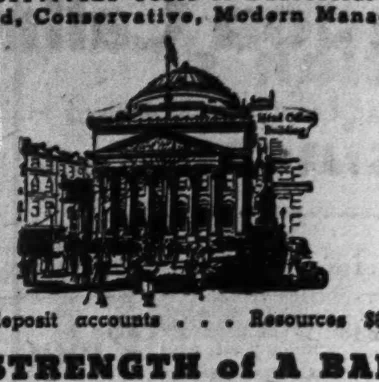
Beresford Lake. 19
Big Long Lac . . 18
Central Man. . . 18
Century Mining 18
Chesterville . . 19
Cymry Gold . . 18
Dictore Porc. . . 18
Dome . . 4, 18, 19
Eldorado 18
Falconbridge . . 19
Gunnar 18
Hollinger . . 18, 19
Howe Sound . . 4
Halcrow Swayze 18
Inter. Nickel . 4, 18
Irvin Porcupine 18
Internat. Mining 18
Lamaque 18
La Reine 18
Laguna 18
Little Long Lac 18
Malartic G. F. . 18
Madsen R. Lake 19
Matach. Hub . . 18
MacKenzie R. L. 18
Morris Kirkland 18
Naybob 18
O'Brien 19
Preston E. Dome 18
Relief Arlington 18
Sherritt Gordon 17
Simpson Gold . 18
Springer Sturg. 18
Teck-Hughes . . 18
Troy. Consol. . . 18
Wesley 18
Wright-Harg. . . 18

REGULAR FEATURES

Banking 15
Bond Markets 5
  Bond Quotations 16
Business, Week in 7
Commodities 17
Editorial 6
Insurance 14
Investment Trends 4
  Company Reports 17
  Investors' Enquiries 13
  Market Opinions 4
  Stock Quotations 16
Mining, Week in 18
  Mining Enquiries 19
  Stock Quotations 16
Municipal Finances 14
Oils, Week in 18
  Stock Quotations 16
Pulp and Paper 12
Wheat, Week in 17
  Grain Quotations 17

Sales Executive

WIDELY EXPERIENCED SALES AND general manager, thoroughly conversant with import and export fields; energetic organizer, able to train and supervise staff; expert knowledge of efficiency methods, cost accounting, statistics. Speaks four languages, including French, German, Spanish. Age 37. Excellent documentary record. Box 250, The Financial Post.



Established 1817 . . . 121 Years of Successful Operation . . . Experienced, Conservative, Modern Management . . .

Over 1,000,000 deposit accounts . . . Resources $874,255,828.88

THE STRENGTH of A BANK

. . . is determined by its history, its policy, its management, and the extent of its resources. For over 121 years the Bank of Montreal has been in the forefront of Canadian finance.

BANK OF MONTREAL

Ask for booklets: "Bank of Montreal—An Outline of Its History" *and* "Services of the Bank of Montreal"

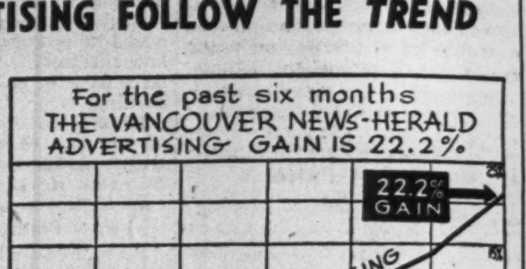
A61

Union Gas Co. Earnings Increase in Six Months

Union Gas Co. of Canada and subsidiaries report consolidated earnings of $198,326, before income tax in the six months ended Sept. 30. This compares with $80,304 in the corresponding period of 1938.

Weather conditions in the spring were more favorable for house heating and there has also been an increase in the active meters on the company's lines, compared with last year.

For the 12 months ended Sept. 30, consolidated profits before income taxes amounted to $1.2 million compared with $1 million in the previous 12 months.



WHEN PLANNING YOUR VANCOUVER ADVERTISING FOLLOW THE *TREND*

There is a very definite reason why Vancouver News-Herald advertising linage is continually growing.

Roy Robichaud will give you all the answers!

Roy Robichaud, Managing Director of Vancouver News-Herald, is now at the King Edward Hotel, Toronto, to meet advertising and merchandising managers and agency executives. He has a remarkable story to tell. He will explain to you why retail advertisers have more than doubled their appropriations for News-Herald advertising during the past 12 months. It's a story of growth and progress among the able-to-buy people of Vancouver.

The VANCOUVER NEWS-HERALD

CANADA'S FASTEST GROWING NEWS-PAPER

Ratios Retard U. S. Investors

(Continued from page 1)

session of Congress is going to be carefully weighed.

No Further Devaluation

Advocates of further devaluation of the U. S. dollar with a resulting higher price for gold find no comfort from this student of affairs who says "we have more gold now than we know what to do with. I cannot see where devaluation would help the government in any way."

He foresees some slackening of U. S. domestic business after the second or third month of 1940, chiefly because of the "tremendous amount" of forward buying that has taken place in the past couple of months.

Great interest and much speculation has been noted concerning British holdings of U. S. securities. Evidence of the lack of accurate figures on this is shown by estimates ranging between one and two billion dollars. He inclines, however, to think that a more conservative estimate of $600 millions may be closer to the mark.

Discussing the extent of purchases that might be made in the U. S. by Great Britain, he said: "Large purchases have been made of airplanes particularly, possibly $200 millions. The airplane factories are running full time, but most of them are not running more than one shift. They could still increase production by running on a two or three shift basis."

Aviation Stocks

Would not this tend to increase profits greatly and put up the price of aviation stocks? He commented: "I doubt if aviation stocks will go much higher. I question whether the investors will be interested in them at higher prices. Remember, as I said before, investors want distinctly more stocks to be put on a basis of two to six times earnings."

Asked if he expected to see the United States drawn into the war, he said:

> "I can see only one thing that would bring the United States into the war and that is the possible defeat of Great Britain and France. This contingency would, I think, definitely bring the United States into the war on the side of the Allies. I don't believe the sinking of an odd boat or sabotage would bring the United States into war."

American businessmen feel, he says, "that the war is being fought for the maintenance of power of the British Empire. While in the last analysis businessmen would be concerned in a drastic defeat of the British Empire, the present feeling of many of them is that they are so far away that it does not make much difference whether Germany is in control of things in Europe, or Great Britain and France."

Exchange Body Curbs Export

(Continued from page 1)

of them among the largest industrial organizations in this country, such as General Motors of Canada, Ford Motor Co. of Canada and a host of others.

Under the original regulations it would have been possible for such companies, wishing to send large amounts of money out of Canada, to declare large dividends, perhaps in excess of actual earnings and in effect an export of capital, and obtain the required foreign exchange. Now this cannot be done and this is the first public example of how the regulations work.

Less Income Tax

Naturally there is speculation as to what may be involved in the Imperial Oil instance and others of a similar nature. For one thing, it is said that the income tax department is much less pleased at this action than is the Foreign Exchange Control Board. Assuming that Imperial directors would have continued payments at the former rate, which can only be assumed, income tax would have had to be paid on several millions of dollars that will not now be the case.

Then comes another interesting angle. Will International Petroleum find it necessary to bring to Canada this money that formerly went to pay dividends to its shareholders through extras? This must have been a source of many millions of foreign exchange as practically all oil sales by International Petroleum are made in U. S. dollars.

Imperial Bank Assets Higher

Slightly higher profits, an increase of $20 millions in gross assets, expansion of $6 millions in current loans and an increase of almost $8 millions in total deposits by the public, are highlights of the annual financial statement of the Imperial Bank of Canada for the year ended Oct. 31, 1939.

Net profits, after deductions for Dominion and provincial taxes and contributions to staff pension fund, were $966,259 compared with $961,343, the previous year, a gain of approximately $5,000.

Factors contributing to the increase in earnings were the better demand for commercial credit, reflected in the increase in current loans and the higher investments.

Profit and Loss Statement

	1939 $	1938 $
Net profits†	966,259	961,343
Dividends	700,000	700,000
	266,259	261,343
Written off premises .	100,000	100,000
Reserve for cont.	150,000	150,000
Balance forward	16,259	11,343
Previous balance	649,375	638,032
	665,634	649,375

† After deducting Dominion and Provincial taxes of $325,885 in 1939 and $316,156 in 1938; and contributions to staff pension and guarantee funds of $99,689 in 1939 and $90,536 in 1938.

Balance Sheet
(As of October 31)

	1939 $	1938 $
Assets		
Cash	15,081,493	15,414,471
Due from other bks.	11,404,368	11,487,389
Investments	76,209,100	54,627,101
Call loans	5,200,024	5,454,382
Loans to provinces..	587,928	6,354,077
Loans to municip. ..	7,393,784	7,857,619
Current loans*	64,080,746	58,274,755
Bank premises	5,850,776	5,946,045
Letters of credit	1,351,838	967,468
Other assets	799,774	924,211
Total	187,959,829	167,307,518
Liabilities		
Note circulation ...	5,307,515	5,573,813
Dom. govt. deposits	12,006,062	1,835,563
Prov. govt. deposits	10,327,136	8,439,505
Demand deposits ..	39,783,818	36,084,302
Savings deposits ...	99,453,736	95,203,907
Due other banks ...	3,887,766	3,376,973
Letters of credit ...	1,351,838	967,468
Paid-up capital	7,000,000	7,000,000
Reserve	8,000,000	8,000,000
Divds. declared but unpaid	176,326	176,612
Profit & loss balance	665,634	649,375
	187,959,829	167,307,518

*Canada.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipality—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Twp. of Barton, Ont.	Oct.	Bell, Gouinlock & Co.	5%	1940-49	$13,034	102.80	.....
Village of Little Lake Magog, P.Q.	Oct.	Rene T. Leclerc	4%	1940-57	12,000	96.55	.....
Village of Rockcliffe Park	Nov.	Toronto General Trusts	4%	1940-54	5,000	100	4%
Dominion—							
Canada Treasury Bills	Nov.	....	....	Feb. 15,'40	25,000,000	99.780	.872%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered By	Rate	Due	Amount	Price	Yield
La Commission des Ecoles Catholiques de Verdun	Nov.	Societe Generale de Finance, Inc.	5%	1939-44	$295,500	101	4¾%
York Oils, Ltd.	Nov.	C. M. Oliver & Co., Vancouver, and Syndicate	6%	1940-44	200,000	*99	.....

*Offered.

Our Customer's Success

IT IS frequently stated, and likely is a prevalent thought, that a bank is interested only in lending and collecting money, with little concern given the welfare of the borrower. This is not the attitude of The Dominion Bank.

The success of our customers is our success. We are dependent on them and their goodwill. Therefore we have an organized and efficient department to give them a service and to co-operate with them for their benefit.

In the last few years we have aided successfully in reconstructing a number of businesses of rather large proportions. One of these companies showed a very heavy operating loss, large current and bank indebtedness, a heavy fixed indebtedness. The Company's last annual statement showed all current and bank indebtedness paid, fixed charges greatly reduced, a very substantial cash position, dividend paid, surplus increased and earnings very satisfactory. That Company is well organized, financially sound and is an asset not only to its shareholders and to The Dominion Bank, but to the country at large.

We willingly extend this special service to our clients, regardless of the importance of their accounts.

THE DOMINION BANK

C. H. CARLISLE,
President

Established 1871

ROBERT RAE,
General Manager

London Calling By Atticus

Belgian Leader Tells Atticus His Country Will Resist Aggression, and Why — Spain's Position is Clarified

LONDON.—The recent broadcast to America by King Leopold will be strengthened in its effect by the ominous news that Germany does not consider the Belgian press is being strictly neutral. It could hardly be more alarming if the Nazis said that so far as Belgium was concerned they had no territorial claims.

A fortnight or so ago I had a most interesting talk with M. van Zeeland on this subject, when we recalled the German march into the Rhineland. On that occasion the League of Nations was hastily convened in London, and M. Litvinoff beamed like a Russianized Mr. Pickwick while Mr. Eden moved from delegate to delegate with the eye of history on his every movement. Undoubtedly the most moving speech was that of M. van Zeeland, who spoke beautiful French in a voice that had the rare quality of nobility. The motif of his address to the League was the helplessness of little nations always liable to be at the mercy of events beyond their control.

* * *

Belgium's Decision

I had not seen M. van Zeeland since then until we met on the field of honor in a croquet match at our host's country house. I was surprised to find him so youthful in appearance and so pleasantly vital. What is more, he struck the ball with a forcefulness which showed that he would always approach his goal with a resolute spirit despite the hoops and hazards of outrageous fortune.

Remembering the agony of Belgium in 1914, I made the mistake of asking its former Premier if she would resist again should Germany ask now for a right of way for her troops. He seized my arm and his eyes widened with astonishment. "How can you ask such a question?" he asked. "Of course we should resist. Every man in the country would fight." Then he relaxed his grip and smiled. "It is difficult for you to understand the psychology of a small European state," he said. "A small nation must fight. Otherwise—unless she resists—she has no standing when the war is over and the terms of victory are made. Roumania, Belgium and Serbia all fought in the last war and were overrun. But their claims were established because they fought."

* * *

Spain's Position

One is so conscious of history in the making these days that normal conversation has almost ceased. The war, its causes and its future, occupy our minds to the exclusion of everything else. Therefore, I was delighted to lunch quietly at the Spanish Embassy and learn something of the story of the Spain of today from the Duke of Alba.

It is characteristic of the Spanish Ambassador that, with the victory of General Franco, he has reverted to his old rôle of the connoisseur of life and the philosopher of events. During the civil war he was tempestuous and in a state of resentment against all who could not see the justice of Franco's cause.

Like his friend the Marquis del Moral, who was also there, he would not compromise with the devil in any form. Now he is calm like one who remembers a storm that has spent itself.

The Marquis added to my knowledge of recent history by a story that was confirmed by our host. When the war between Germany and the democracies was seen to be inevitable General Franco sent for the French Ambassador, the venerable Marshal Pétain. "I ask your Excellency," said General Franco, "to convey to your Government my solemn assurance that they need not keep one soldier to guard the Pyrenees frontier."

According to del Moral the French Government accepted General Franco's word without hesitation and was able to release for active service a large force which would otherwise have been immobilized.

* * *

Inspiration from Canada

There is a most stirring human story behind the sweeping victory of the Liberals in the provincial election in Quebec. That victory is supremely a vote for Empire solidarity, loyalty to the Crown, and a united effort to attain victory in the war. The organizer, and indeed the architect, of the electoral triumph is Mr. Ernest Lapointe, Minister of Justice in the administration at Ottawa. Mr. Lapointe has all the eloquence and fire of his race. In addition to that he has that rare combination of vision and courage.

When the last war came in 1914 he was one of those who felt that the French Canadians had been treated tactlessly by the administration in power. When conscription was introduced with the obvious intention of forcing a larger contribution of men from Quebec he opposed it hotly though unsuccessfully.

Yet in the present war against Nazi aggression this leader of his people has made himself the spokesman for all Canada. Even when the Canadian Government had refused in advance to indicate the extent of its contribution to a war, the voice of Ernest Lapointe rang out for Canada to take her place.

DUKE OF ALBA

* * *

Emotional Climax

When finally on Sept. 9 of this year the Canadian Parliament met to take its fateful decision, Mr. Lapointe swept everything before him in a speech which reached a deeply emotional climax:

"I desire to conclude my remarks by referring to what was said by our gracious Queen at Halifax when she was leaving Canada to return to the homeland. Her words in French went to the heart of every man, woman and child in my province. She said, 'Dieu benisse le Canada.' God bless Canada. Yes, God bless Canada. God save Canada. God save Canada's honor, Canada's soul, Canada's dignity, Canada's conscience.

"God give Canadians the light which will indicate to them where their duty lies in this hour of trial so that our children and our children's children may inherit a land where freedom and peace shall prevail, where our social, political and religious institutions may be secure and from which the tyrannical doctrines of Nazi-ism and Communism are forever banished. Yes, God bless Canada. God bless our Queen. God bless our King."

Is there anyone who can read those words unmoved by gratitude or pride? To me they come as an inspiration, a flash of spiritual greatness in a world of disillusionment.

Copyright, 1939, The Financial Post and The Sunday Times, London.

No Debt Or Tax Worries For Soldiers In Alberta

From Our Own Correspondent

EDMONTON.—By order-in-council, the Alberta Government has arranged a moratorium on soldiers' debts and provided tax exemption on home property of the men in the Canadian Active Service Force. It is expected the spring legislature session will pass an act validating the order-in-council.

Any action for recovery of debt that has been started against a person who has become a soldier will be held up until two years after he has been discharged.

The order provides exemption from home property taxes for the year of his enlistment or thereafter until the expiration of the year of his discharge from military, naval or air service. Where arrears of taxes are owing, no penalties or interest shall be charged during the service term.

Another provision of the order states that any soldier may have the public administrator act for him in all matters pertaining to his interest.

Ottawa has expressed interest in the Alberta moratorium measure but federal officials consider it wholly a provincial matter which could not affect debts due to the Dominion Government on farm loans, federal income tax or other transactions.

Saskatchewan recently announced it proposed some measure of protection to the property of enlisted men.

Power Corp. Group's Production Is Greater

From Our Own Correspondent

MONTREAL. — Controlled and affiliated companies of Power Corp. of Canada report a power output in September of 204,034,229 kw.h., against 197,975,182 for September last year. This represents an increase of 3% and marks the thirteenth consecutive monthly gain to be reported by these companies.

Meeting the Right People

is Just as Important in Business

MEETING the right people . . . impressing them favourably . . . is the first step in selling your service or product.

Through Radio the "All- Canada" Stations can introduce you to the right people . . . tell you where and when and how to find them . . . take you into their homes when they are in a receptive mood . . . give them your message in a manner that has a particular appeal for them . . . build goodwill to the company and its products.

For radio advertising will give you advantages available through no other medium and there's an "All-Canada" station in every major market centre from coast to coast. Our representative can supply information about rates, times and stations. Get the advice which his wide experience has equipped him to give you regarding the type of program most suitable for your requirements. This service is available through all recognized advertising agencies without cost or obligation. If you are not served by an agency, write or phone our nearest branch.

ALL-CANADA

ALL-CANADA RADIO FACILITIES Limited

MONTREAL TORONTO WINNIPEG CALGARY VANCOUVER

Attempt Blocked To Use Air Line

From Our Own Correspondent

OTTAWA.—The drive to turn Trans-Canada Air Lines over to the military authorities as part of the great Empire air-training scheme has about evaporated. The Government stood firm in support of the complete independence of the T.C.A. and there is now no danger of this decision being reversed. On the contrary, the Government has instructed military chiefs to issue a statement which will be forwarded to all employees of the T.C.A. and posted up at every Trans-Canada airport, to the effect that the employees of the T.C.A. are doing their bit in this war just as effectively and patriotically as if they were in the fighting forces.

Big British Wheat Deal

(Continued from page 1)

months of the crop year gone and the close of navigation only a few weeks away. It is plainly impossible to sell so huge a quantity of wheat this crop year. But if another 200 million bushels could be sold, the Government would be well pleased. In any event a tremendous loss seems inevitable. The objective is to cut it down as much as possible.

Therefore, if the British Government would agree to take more than 100 million bushels in the next eight months and pay a price better than 70 cents per bushel, a substantial burden would be lifted off the treasury and the taxpayer. In all probability the best part of another 100 million bushels could be sold to neutrals. It is not without significance that with the present exchange differential, a small increase in the spread between Chicago and Winnipeg prices would open the United States market to Canadian wheat. And the condition of the U.S winter wheat crop makes this something more than a mere possibility.

Arguments for Closing

For these reasons, the question of whether or no the Winnipeg market should be closed assumes national importance.

The arguments advanced in favor of closing this market are these:

In order to have a market, you must have buyers. There is but one real buyer, under war conditions, for Canada's wheat. That buyer is Britain and Britain desires the market to be closed and has indicated an unwillingness to buy our wheat until the market is closed. It is the part of wisdom to close the market and meet the wishes of our chief buyer. The alternative is to keep the market open, dispense with Britain's purchases and carry the huge burden of wheat indefinitely at our own expense.

Forming Open Market

Those who favor the open market at Winnipeg, dispute the preceding argument. They say:

It is conceded that Britain desires the market closed but it is hotly denied that Britain is not buying. The British are buying and in substantial quantities. If you close the market, the unmistakable inference is that you do not expect the price of wheat to go up. You are paying the farmers 70 cents per bushel and in closing the market you are telling the world that you do not think the wheat is worth more. Therefore, 70 cents is about all you can expect to get. Without the market you have no way of proving to purchasers that the wheat is worth more than 70 cents.

If you left the market open, however, the price could not fall below 70 cents and conceivably it might go up. The failure of the U. S. winter wheat crop might easily send Chicago prices skyward and Chicago inevitably would react on Winnipeg. And every cent the price rose above 70 would mean a great deal to farmers and taxpayers. Likewise, the inability, owing to the submarine blockage, of Britain to draw wheat from Argentine and Australia might easily react favorably on an open market at Winnipeg.

To keep the market open, all things considered, is the best and the only way of guaranteeing to producers a fair price for their wheat and to the taxpayers a fair run for the vast sums of their money invested in it. Woe betide the Government if the wheat farmers have reason to believe that their wheat was sold for less than it was worth—after the open market was closed. Woe betide the Government if the taxpayers, who are already down some $50 millions on the 1938 crop, are convinced that the huge crop of 1939 was handled badly—costing them, perhaps, another $75 millions. An open market is the only insurance policy against such charges.

Nevertheless a British offer with a price well above 70 cents per bushel is tempting and the foregoing arguments all work in the reverse if the Government turns it down, retains the open market and sells no wheat.

May Reach Compromise

It is barely possible, of course, that the negotiations will bring an agreement which will be a compromise. Ottawa could sell Britain a large block of wheat at a fixed price and retain the open market too. The dangers in such a policy are obvious, but these dangers might not be as mortal as the other alternatives. If you sold to Britain at 90 cents and the market never rose above 70 cents, what would patriotic Canadians say? Or if you sold to Britain at 80 cents and the price soared to 90 cents? Then the shoe would be on the other foot. Dare you sell to neutrals for less than you sell to Britain? And what about the domestic price, if you are selling to Britain above the market?

Such a compromise arrangement, of course, would not be possible if, as part of the deal, the British Government insisted that Canada should not sell to neutrals below the price paid by Britain. In that event Ottawa would have to choose between the two and it is fairly certain the choice would be to retain the open market and do nothing to restrict sales to neutrals. The negotiations, therefore, would break down.

Britain's War Buying

Purchases on This Continent Routed Through Four Interrelated Bodies

From Our Own Correspondent

OTTAWA.—Recent appointments relating to Britain's war purchases in the United States and Canada have tended to confuse some industrialists regarding the methods of buying which actually are being followed.

The main groups involved are:

The Canadian War Supply Board, under the chairmanship of Wallace Campbell.

The British Purchasing Mission in Canada, under the chairmanship of Col. J. H. M. Greenly, C.B.E.

The British purchasing authority in the United States, directed by Arthur B. Purvis.

The British Supply Board for Canada and the United States, correlating the work of the first three groups.

So far as purchases are concerned, the Riverdale air training mission may be counted out. It is in Canada to co-operate with the Canadian, Australian and New Zealand Governments in organizing the Empire air training scheme. Any orders placed in connection with this scheme will be placed by the Empire committee in charge of it, of which Lord Riverdale is a member, and the purchasing will be done in co-operation with the Canadian War Supply Board.

Purchasing Mission

The British Purchasing Mission has as its chairman and controller Col. J. H. M. Greenly, who is a technical expert, an industrialist and has had experience as a civil engineer. Sir James Rae, an eminent civil servant and administrative expert, is the vice-chairman. On the financial side of the mission is J. A. C. Osborne, former secretary of the Bank of Canada and a high official of the Bank of England.

The British Purchasing Mission, however, has no direct contact with the public. This mission is instructed from London as to what it is to buy. Having received instructions it consults with the Canadian War Supply Board as to the industrialists in Canada who are best equipped to fill the order.

The Mission then deals directly with the firms which have been recommended to it and, it is understood, the experts of the War Supply Board will continue to be consulted until final arrangements are made and a contract awarded.

U. S. Buying

Mr. Purvis's duties are equally clear cut. He will buy for Britain in the United States. It may be presumed he will only buy there such munitions or war supplies as can be obtained there more satisfactorily than in Canada. Mr. Purvis is well acquainted with Canadian industry and will also be in close touch with the Canadian War Supply Board.

But to make certain that the closest touch is maintained by all these boards — Lord Riverdale's excepted — there was created on Nov. 7 the British Supply Board for Canada and the United States. This body is to co-ordinate all purchases. Col. Greenly is the chairman of this board and Sir James Rae is the vice-chairman. Wallace Campbell and Arthur Purvis are members of it, thus linking all three bodies.

The point to be borne in mind, according to the experts on these missions, is that these purchasing bodies do not originate orders. They buy what they are instructed to buy by their Governments. It is no use, therefore, for an industrialist to go to any of these missions in quest of contracts. It is desirable, however, that industrialists make known to the Canadian War Supply Board their capacity and equipment to do war work.

C. B. C. Chairman Favors Short Wave Station Plan

From Our Own Correspondent

MONTREAL. — Movement for establishment of a short-wave broadcasting station by the Canadian Broadcasting Corp. has the support of Rene Morin, the new chairman of the board of governors of the corporation.

When interviewed by The Financial Post Mr. Morin stated: "I have been convinced for a long time that Canada should have a powerful short-wave station. I feel that Canada's voice should be heard by the world.

"The benefits accruing to Canada would amply justify the cost. The position of Canada as a member of the British Commonwealth of Nations and as a nation of the world would be better understood. In fact, the commercial advantages alone would justify the expenditure."

U. S. Broadcast Desirable

Asked by The Financial Post what he thought of the proposal for short-wave broadcasting to the United States, Mr. Morin admitted that changed conditions might make this desirable. "Certainly," he said, "it would enable the commission to do more toward educating the people of this continent as to Canada's part in the war and interpreting the Empire's case to the people of the United States.

"The original scheme envisioned a station with a reversible beam. It is possible the scheme could be revised to permit the one station to broadcast to both Europe and the United States. Programme to Europe could be broadcast during the day and programme to the United States in the evening."

Government Must Pay Cost

In Mr. Morin's view, the question is one which will have to be decided by the Dominion Government, not the Canadian Broadcasting Corp. The latter cannot afford either the initial cost or the annual maintenance charges. The initial cost is estimated at between $400,000 and $450,000 and the annual maintenance charge at $250,000. The latter figure includes $100,000 for mechanical costs and $150,000 for building up programmes.

Do you know what a LIVING TRUST can do for you?

It can give you more time to devote to your business, or to personal affairs. As your trustee we will assume many of the cares and worries of managing your investments.

★

It can provide experienced management for your property. By naming us trustee, you secure the advantages of our familiarity with investment matters, our modern accounting methods, our group judgment and our financial stability and responsibility.

★

It offers a test of trust service. By establishing a living trust you can observe corporate trust service in action. Then you can decide whether you wish to set up trust funds for your family in the years to come.

Crown Trust Company

Executors — Trustees — Financial Agents

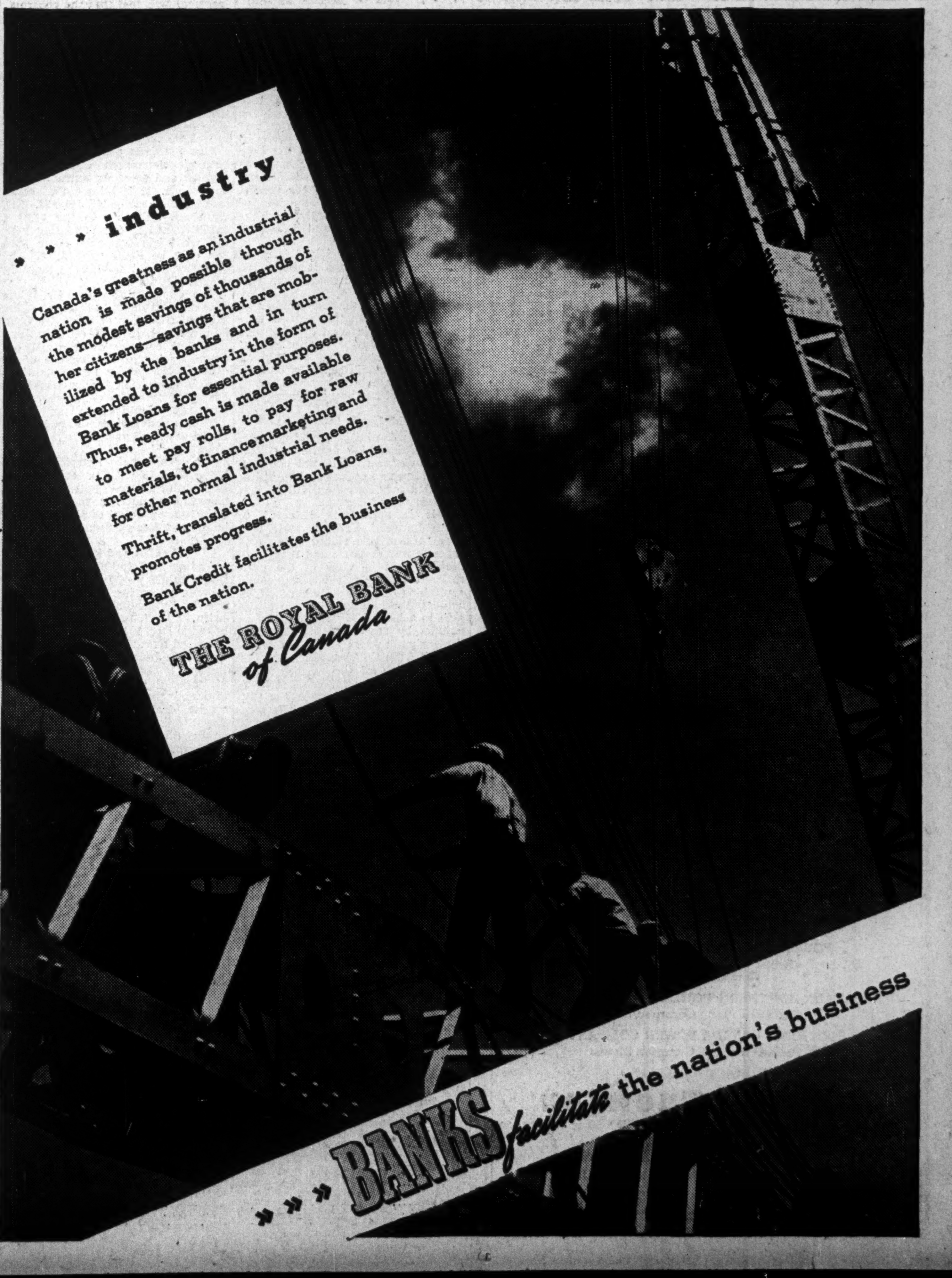
Montreal Toronto

Outburst Against Britain Stirs Hostility to C. C. F.

From Our Own Correspondent

VANCOUVER.—The anti-British speech of Mrs. Dorothy G. Steeves (née Biersteker) in the British Columbia legislature has crystallized a question current in this province for some time: Is the C.C.F., of which Mrs. Steeves is a leading member, with Canada and the Empire or on the other side?

The cries of "Shame!" from other members of the legislature and the veiled rebuke of Premier Pattullo, who said that if similar speeches were made in or out of the House he would feel compelled to report to Ottawa, are not accepted here as the final answer.



» » » industry

Canada's greatness as an industrial nation is made possible through the modest savings of thousands of her citizens—savings that are mobilized by the banks and in turn extended to industry in the form of Bank Loans for essential purposes. Thus, ready cash is made available to meet pay rolls, to pay for raw materials, to finance marketing and for other normal industrial needs.

Thrift, translated into Bank Loans, promotes progress.

Bank Credit facilitates the business of the nation.

THE ROYAL BANK of Canada

» » » BANKS facilitate the nation's business

Investment Trends

Wartime Uncertainty Cuts Market Optimism

Reaction May Bring Favorable Buying Period—Imperial Dividend Cut May Reduce Scepticism and Strengthen Position

Another week has passed with little change in the stock market situation. Perhaps the reaction to the cut in the Imperial Oil dividends might be regarded as disturbing. Weakness followed, at least, temporarily, throughout all oil stocks.

Actually, however, the idea might well be brought out that perhaps reaction since the peak of the war recovery has now been sufficient to make renewed buying attractive. Whether it will come this week or next is something that cannot be foretold but it does seem that enough has been cut off the high point of the recovery to bring stocks to a reasonable relationship with business conditions.

It is doubtful, however, if the stock market will discount probable earnings and business conditions during a period of war at the same optimistic scale that might prevail during peace times. There is too much uncertainty as to taxation, depreciation write-offs, and an early peace to take investors very far off their guard. This tendency is apparent in the United States, as brought out in an interview with a leading U. S. economist reported elsewhere in The Post, and will undoubtedly extend to Canada.

In other words, where prospective earnings in peacetime might be capitalized at 12 to 15 times on the stock market during a period of improving conditions, wartime fears might reduce this ratio to 6 or 8 times earnings.

* * *

Imperial Dividends

Chances of total dividend payments by Canadian corporations for 1939 reaching last year's high levels took a death blow this week when International Petroleum omitted its customary extra and Imperial Oil declared 25 cents a share less than in June. For many years the Imperial Oil group of Imperial, International Petroleum, Royalite and Andian National has been by far the largest single factor in maintaining Canadian dividend payments at high levels. Even with the latest reduction, both Imperial and International Petroleum remain the two largest single dividend payers.

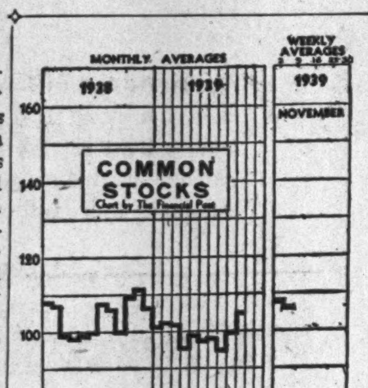
In one sense, the latest action which was occasioned by the refusal of the Foreign Exchange Control Board to grant foreign exchange to pay dividends to non-residents where such dividends came in part from accumulated surplus, should actually strengthen the position of these shares. It was not normal for shares of companies of the strength and established position of Imperial Oil and International Petroleum to sell regularly to yield from 6% to 10% as has been the case over the past year or two.

Investors obviously doubted the continued ability of these companies to maintain dividends on a scale which meant dipping into surplus for several million dollars each year. Imperial's earnings have been stabilized in recent years just under $1 a share. Continuation of the rate set for the December payment will mean total payments of $1 a year which would only exceed recent earnings by a nominal amount. If International Petroleum continues to pay only 75 cents semi-annually, it will come to $1.50 a share annually, or considerably less than the $1.98 earned for the latest year for which figures are available.

Thus would be built up a greater confidence in the continued strength of these companies and a 5 to 6% yield basis may be seen instead of 7 or 9% as has been the case lately.

* * *

Radio Sales



The past two months have seen sales of radio receiving apparatus in Canada jump to a figure more than twice that for the corresponding months of 1938, according to trade figures. Apparently there are two reasons. In the first place, the outbreak of war brought a reawakening of public interest in the radio as a source of news on questions of such striking importance. How long this factor will continue important with the kind of war we are fighting now can hardly be predicted but undoubtedly it should continue to help sales for the duration of the war.

Then, too, the purchasing power of the farmers, particularly those in western Canada, has shown a certain amount of improvement which has largely coincided with the outbreak of war with its awakened interest in news broadcasts.

This is of considerable interest to manufacturers and retailers of radio sets. Among those in which there is public investment interest might be mentioned Rogers-Majestic, Canadian Marconi, Canadian Westinghouse, Canadian General Electric and Bell Telephone through its subsidiary, Northern Electric. For most of these concerns, manufacture and sale of radio receivers may not be a major part of their total operations, but right now it should be a prosperous one.

Dominion Stores Sales Increase

Advance 6.54% in Four Weeks Period Ended Nov. 4

Sales of Dominion Stores Ltd. in the four weeks period ended Nov. 4 increased 6.54% over the corresponding period in the preceding year. Total sales in the year to Nov. 4 were 6.62% higher than for the same time last year.

Sales in the year to Nov. 4, with a comparison of the previous year follow:

Monthly Sales

4 Wks. Ended	1939 $	1938 $	Incr. %
Jan. 28	1,366,469	1,404,480	*2.71
Feb. 25	1,531,878	1,459,841	4.93
Mar. 25	1,680,272	1,472,091	14.14
Apr. 22	1,640,528	1,495,190	9.72
May 20	1,637,720	1,486,876	10.14
June 17	1,586,974	1,466,405	8.22
July 15	1,565,780	1,467,436	6.70
Aug. 12	1,423,805	1,344,634	5.89
Sept. 9	1,443,512	1,374,523	5.02
Oct. 7	1,501,147	1,451,111	3.45
Nov. 4	1,433,401	1,345,417	6.54
	16,811,486	15,768,004	6.62

* Decrease.

Note:—In the period ended Jan. 28, 1939, 14 fewer stores were operated than in the 1938 period; Feb. 25, 16 fewer; Mar. 25, 34 fewer; Apr. 22, 43 fewer; May 20, 40 fewer; June 17, 38 fewer; July 15, 38 fewer; Aug. 12, 42 fewer (with 10 more meat markets); Sept. 9, 42 fewer (with 9 more meat markets); Oct. 7, 47 fewer (with 8 more meat markets); Nov. 4, 46 fewer (with 10 more meat markets).

POWER SECURITIES

. . . an investment in Canada's progress

● Of all major industries in the Dominion, the hydro-electric industry is one of the most stable. Electric power has become such an essential part of our social and industrial life that consumption of electricity has shown steady gains in recent years.

Abundance of low-cost energy generated in power plants throughout Canada provides the very basis of our industrial progress. The purchase of sound utility securities constitutes an investment in one of Canada's largest and most stable industries.

We Recommend:

POWER CORPORATION OF CANADA
6% 1st Preferred 6% Participating Preferred
Common Shares

CANADA NORTHERN POWER CORPORATION
7% Preferred Common Shares

SOUTHERN CANADA POWER COMPANY
6% Preferred Common Shares

NESBITT, THOMSON AND COMPANY, LIMITED
355 St. James St. West, Montreal
Branches in the principal cities of Canada

Paramount Earned 17c. Last Quarter

Results For First Nine Months Double Last Year's

Paramount Pictures Inc. estimates earnings for the three months ended Sept. 30, 1939, at $710,000 after interest and all charges. This is equivalent to 17 cents a share on the 2,465,927 shares of common stock outstanding at Sept. 30 and compares with 14 cents a share for the quarter ended Oct. 1, 1938, when earnings were $650,658.

The results for the latest quarter include $377,000 representing Paramount's direct and indirect net interest as a stockholder in the combined undistributed earnings for the quarter of partially owned, non-consolidated subsidiaries. The 1938 quarter included $495,000 from this same source and $233,000 profit on purchase of debentures.

Nine Months Up

On the same basis, earnings for the nine months ended Sept. 30 this year are estimated at $2,840,000 which includes $1,355,000 as the company's share of undistributed earnings of partially owned subsidiaries. The nine-month figures this year are equivalent to 79 cents a share on the common stock as compared with 40 cents a share for the nine months ended Oct. 1, 1938.

Results of operations of all foreign subsidiary companies have been included above at the current rate of exchange. In the case of the English and Canadian subsidiaries which have outstanding debts payable in local currencies in excess of the net current assets of such subsidiaries, the provision for the decline in dollar value of the net current assets of these companies has been offset against the amount of outstanding debt payable.

Brewing Corp. of America Earnings Up in Past Year

Brewing Corp. of America, Cleveland, reports net income of $805,074 after depreciation, income taxes and other charges for the year ended Sept. 30, 1939. This is equal to $1.11 a share on the 725,000 shares held by the public and compares with 97 cents a share in the preceding year.

Canadian Breweries holds a substantial interest in this company's shares.

Windsor Education Board To Continue Tax Appeal

Windsor Board of Education has decided to take its case to the Privy Council, appealing a decision of the Supreme Court of Canada, which increased to 18% from 9% the Windsor Separate School Board's portion of taxes on the assessment of the Ford Motor Co. of Canada.

Market Opinions

Market forecasters are somewhat puzzled by the relationship prevailing between business indices and the stock market but continue generally to favor the prospect for well maintained prices.

Brookmire Counselor, New York—"Interruption to the rise in stock prices does not necessarily mean that the long-term trend is affected. Rather, the recovery forces should be reasserted when the technical adjustment is completed. If an early truce were actually to materialize, a further setback in some directions would be logical, without altering the prospects that a peace readjustment should be shortlived. Evidence that the war is to be prolonged, on the other hand, would accentuate the recovery. Prudence dictates continuing a middle-of-the-road policy of maintaining a balanced portfolio that affords a combined recovery-war-inflation appeal."

* * *

Barron's New York (The Trader)—"Revival in the heavy goods industries, brought about, in part, by railroad and utility buying and strengthened every week by the recurrent news of industrial plant expansion, augurs against the likelihood of an early or serious business depression. Against that contingency there is also the lively possibility of a formidable American armament programme. Although new industrial buying continues to taper off, the back log of orders is still sufficiently large to warrant no misgivings for another month or so."

* * *

Journal of Commerce, N.Y. (Jules high level of business activity, of course, suggests that when a break-through comes it will be upward. But it seems unwise to assume that this will certainly be the course taken by the market since evidently much depends upon developments in Europe which, of course, cannot be foreseen."

* * *

Journal of Commerce, N.Y., (Jules I. Bogen)—"Stock prices have displayed weakness during the past week because of two types of liquidation that have taken place in moderate volume. First, a considerable volume of foreign selling originating in neutral as well as belligerent countries abroad made its appearance. Secondly, domestic traders showed a preference for the selling side of the market, in anticipation of a considerable business reaction shortly after the turn of the year."

* * *

The Financial World, New York—"Later on—perhaps in the early months of 1940, as seems so widely to be expected— we will probably see some decline in business activity from current levels after inventory depletions have been corrected. But the trend of sales figures for consumers' goods suggests that the decline will be quite moderate, and that the rate of activity and the volume of corporate earnings then prevailing will be more than adequate to support present prices for the general run of the better stocks. It may well prove that the next important movement in the stock market will come not as a result of some new development in business here or in the war abroad, but with growing realization by investors that corporate profits are to continue on a higher scale for a considerable time to come. In the meantime, stocks may continue the more or less aimless drifting that has characterized the market in recent weeks, or they may even work somewhat lower."

* * *

Barron's, N. Y. (The Dow Theorist)—"By going below 149.60 and 33.43, the Dow-Jones averages of industrial and railroad stocks last week established a down-trend of more than minor importance. Considering the whole period since Sept., 12, when the industrials made their high, some students would prefer to see the industrial average break 147.78 before recognizing a secondary down-trend, though they have accepted 33.43 as the testing point in the rails.

"Meanwhile, the primary trend is up. A full secondary decline would carry the market just below 140 in the industrials and just under 30 in the rails, without exceeding normal limits of correction in the bull markets."

Exchange Control Brings Cut In Imperial Dividend

Action of directors of Imperial Oil Ltd. in cutting the special disbursement of 37½ cents, made semi-annually since 1935, to 12½ cents a share with the latest payment, is due to a ruling of the Foreign Exchange Control Board, according to an official statement from the company.

The statement points out that "foreign exchange is required for payment of dividends to a large and numerous non-resident interest in the company's shares, and the Foreign Exchange Control Board has ruled that it cannot provide exchange for that part of the special disbursement payable outside of Canada which represents a withdrawal from accumulated earned surplus."

This ruling of the board is made under authority given it through a recently announced regulation. This regulation excepts companies where there is only a limited number of shareholders from the general permission to pay interest or dividends in foreign exchange. In the case of Imperial Oil about 70% of its stock is held by Standard Oil Co. of New Jersey. This brings Imperial under the power of the board through this ruling.

Could Leave in Canada

Actually the board would not take any exception to declaration of dividends in excess of current earnings involving some reduction in surplus, provided only that the dividend was not sent out of Canada.

This is apparently referred to when Imperial directors state that they "accept this ruling as an emergency war measure and they have decided that in view of the non-resident interests it would not be equitable to declare a dividend which could not presently be made available to a large body of their shareholders by reason of the fact that these shareholders could not withdraw it from the country."

Declaration of the regular semi-annual dividend of 25 cents a share, plus a "special disbursement" of 12½ cents a share brings Imperial's total payments for 1939 to $1 a share. If it can be assumed that the threatened withdrawal from accumulated earned surplus was the real reason that the former rate was not continued, it might also be reasonable to assume that earnings this year will again approximate $1 a share as has been the case for the past few years.

Pete Omits Extra

No statement accompanied International Petroleum declaration. But this company entirely omits payment of any extra on Dec. 1. On that date it will pay only the regular 75 cents a share dividend to shareholders of record Nov. 30.

Last previous payment by International Petroleum was 75 cents regular and 25 cents extra a share on June 1. It is known that earnings for the year ended June 30, 1939, were not quite up to the $1.98 a share earned in the preceding year but what has happened since then can only be sheer conjecture. The company is not publishing monthly output figures now.

The explanation given by International Petroleum at the time of the original reduction of the extra from 50 cents a share to 25 cents in June was that because of enlarged opportunity for productive use of its capital afforded by new operations in South America, it was considered advisable to conserve more of the company's liquid assets.

This is understood to have applied to the newly opened fields in eastern Venezuela, being jointly developed by International Petroleum and Mene Grande Oil Co. On Dec. 15, 1939, International Petroleum will have to meet purchase money obligations to the amount of $12.5 millions, being a further payment on the Mene Grande deal.

Andian and Royalite

Andian National Corp., the pipeline subsidiary of International Petroleum, is paying $1 a share as a regular dividend and 50 cents a share extra in U. S. funds. Payment will be made Dec. 1, 1939, to shareholders of record Nov. 20. A similar payment was made June 1, 1939.

Royalite Oil Co., also a subsidiary of Imperial Oil, omitted the extra dividend that has been paid with recent declarations. On Dec. 1, Royalite is paying the regular semi-annual dividend of 50 cents a share. Last previous payment was 50 cents plus an extra of 25 cents.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
1929-38:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	204.6	281.1	197.6	131.7	166.0	198.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	47.1	63.1	36.9	43.3
1939:												
Jan.	129.4	16.9	79.1	173.5	52.9	172.9	126.9	133.3	57.5	85.2	42.7	102.9
Feb.	129.4	16.4	77.6	175.9	54.3	175.3	130.4	133.6	58.2	85.3	42.9	104.1
Mar.	126.6	15.1	79.8	173.9	57.2	172.5	127.6	132.9	62.0	85.1	44.4	103.7
Apr.	111.1	11.5	71.4	162.9	35.1	169.2	116.9	119.3	58.9	83.7	41.9	96.2
May	112.5	12.0	78.9	170.2	55.0	176.3	120.4	124.6	60.8	84.7	43.2	99.2
June	114.2	12.4	77.4	153.2	56.2	179.2	124.7	128.8	60.8	85.0	43.7	97.0
July	118.0	12.7	75.0	154.0	59.8	182.1	124.8	129.5	59.2	85.0	42.7	97.3
Aug.	108.6	11.1	76.0	147.9	60.1	180.5	117.7	121.6	56.8	84.3	40.9	94.2
Sept.	132.8	19.1	99.8	164.6	71.9	170.8	108.5	145.3	53.8	78.4	42.2	100.1
Weekly Figures:												
Oct. 5	141.7	21.3	104.3	170.0	76.2	174.2	115.1	152.9	56.1	79.2	44.6	101.0
Oct. 12	144.8	21.3	107.5	179.7	78.6	175.0	118.2	153.7	57.6	78.6	45.5	103.4
Oct. 19	151.5	23.1	108.6	189.7	82.9	179.1	120.0	163.2	59.8	80.0	46.0	107.3
Oct. 26	151.1	24.8	107.0	191.0	84.0	180.8	124.5	165.0	60.6	81.9	46.2	107.9
Nov. 2	149.1	25.0	106.2	187.6	83.6	179.0	128.3	162.1	60.5	83.2	45.8	107.8
Nov. 9	146.5	23.9	103.3	184.2	82.6	172.1	126.6	161.1	60.4	83.5	45.4	105.9

*High and low for year from 1929 to 1938 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	10 B.M.	15 W.O.
Nov. 14	123.94	115.55	88.99	30.60
Nov. 13	125.34	114.86	89.55	31.58
Nov. 11	—Holiday—			
Nov. 10	124.88	115.17	89.00	31.77
Nov. 9	124.54	114.96	88.93	32.12
Nov. 8	125.67	115.32	89.70	32.89
Month ago	128.82	111.79	90.72	36.10
Year ago	126.11	120.34	100.28	29.37
High, 1939	129.85	128.95	104.12	45.00
Low, 1939	97.75	100.35	79.59	21.07

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Cbd.	10 Pprs.	15 Golds
Nov. 14	66.8	88.1	81.0	136.24	97.66
Nov. 13	66.4	88.4	81.0	133.60	98.25
Nov. 11	—Holiday—				
Nov. 10	66.0	87.7	80.4	133.92	97.91
Nov. 9	66.2	88.0	80.7	132.79	97.33
Nov. 8	66.9	89.5	81.9	138.44	98.36
Month ago	65.0	93.1	83.7	146.35	98.24
Year ago	68.0	86.0	80.0	133.96	122.07
High, 1939	70.1	93.8	84.9	155.52	126.48
Low, 1939	55.9	63.3	62.7	50.78	86.66

Investment Notes

Toronto Elevators—Gains in earnings for the current year are estimated by C. C. Fields & Co., Toronto, to total $380,096, divided as follows: Grain handled, $102,110; cash grain sales, $32,556; switching futures, $212,556; storing grain, $32,864. According to this estimate by the Toronto brokerage concern earnings available for the common stock would be $229,730, equivalent to $4.40 a share. This would compare with $1.16 a share actually earned in the year ended July 31, 1939.

* * *

Asbestos Corp.—Since elimination of its German market, company has been increasing shipments to the United States. Operations are well maintained and the increased trade with the States results in the company securing the benefit of the premium on American funds.

* * *

Dominion Coal—Prospects are that the financial statement this year will show a healthy increase in earnings, judged by production. Up to the end of October the company produced 3,243,831 tons compared with 3,005,573 tons in the like period of 1938.

* * *

S.E.C. report of security transactions in September contains the following of Canadian interests:

Canada Dry—Thomas Hiltz, director holds 200 common shares directly and through Alex. Brown and Sons (proportionate interest not shown) increased 100 shares to 300.

Dome Mines Ltd.—J. S. Bache, officer and director, increased holdings 1,500 shares to 49,100 and holds 67,000 shares through Richmill Bahamas Co. in which his proportionate interest is not shown. C. W. Michel, director, held 100 shares in October, 1939.

Robert Gair Co.—G. E. Dyke, officer and director, holds 100 common and bought 100 preferred and received 67 preferred as compensation, holding 700. T. R. Pierce, officer and director, disposed of all 500 common and acquired 150 preferred, holding that amount.

Howe Sound—E. B. Schley, director, increased holdings 200 shares to 22,388. H. H. Sharp, officer and director, increased holdings 500 shares to 801.

International Nickel—P. D. Merica, officer and director, decreased holdings 1,000 to 2,000 J. F. Thompson, officer and director, decreased 1,500 to 8,587.

International Paper and Power—H. A. Colgate, director, increased common shares 1,000 to 1,460 and holds 200 $5 preferred and 90 warrants for common. J. H. Hinman, officer and director, increased common 50 shares to 157 and $5 preferred 50 to 207.

Hiram Walker-G. & W.—H. R. Walton, officer and director, increased common shareholdings 100 shares to 250.

Maritime Tel. and Tel. Reports Gain in Traffic

From Our Own Correspondent

MONTREAL.—Wartime activities have had a beneficial effect on long distance toll traffic of Maritime Telegraph and Telephone Co., completed calls in September totalling 157,186, compared with 143,856 in the same month last year. The returns for September represent an all-time high figure for any one month, the nearest approach to this being in August, 1930, with a total of 154,655 completed calls.

Further expansion in the company's system is seen in the fact that at the end of September there were 42,805 stations in operation, a net gain of 241 during the month. As in the case of long distance calls, this was one of the largest monthly gains reported by the company in some time.

Greenshields & Co
Members Montreal Stock Exchange
Montreal Curb Market
507 Place d'Armes, Montreal
TORONTO OTTAWA QUEBEC SHERBROOKE

Canadian Vickers Stock Taken Up

Secure Further $45,000 on Stock Underwritten in 1930

From Our Own Correspondent

MONTREAL.—Canadian Vickers Ltd. has issued an additional 500 7% cumulative preferred and 500 common shares. This stock forms part of the additional listing of 3,000 preferred and 3,000 common shares in February, 1935, subscribed for and allotted but not issued.

It will be recalled that in 1930 directors of the company underwrote a block of 3,000 preferred and 3,000 common shares at $90 per unit of one preferred and one common share.

Steps were taken earlier in the year to call for payment on this stock. As a result the company received in July of this year $135,000 covering the subscriptions of three underwriters. The current stock release means that the company has received an additional $45,000, leaving $90,000 still receivable.

Pacific Coyle Navigation Adds Directors to Board

Shareholders of Pacific Coyle Navigation Co. added W. G. McKenzie and B. W. Greer to the board of directors to fill vacancies caused by the deaths of F. R. McD. Russell and J. H. Greer.

Business in the current year started off ahead of the same period of 1938 because of greater activity in the logging and lumber trade, shareholders were told at the recent annual meeting. British orders for lumber give the company grounds to be optimistic about the rest of the year.

City Gas & Electric Plan Now Confirmed

From Our Own Correspondent

MONTREAL.—Supplementary letters patent have been issued City Gas & Electric Corp. covering a reorganization approved by the security holders last May.

Under the plan, interest on outstanding bonds was waived until July 2, 1941. The company also was given authority to issue prior lien bonds to an amount of not more than $350,000. In addition existing bondholders were to receive one common share for each $100 of bonds held.

The plan also provided that one-third of the common shares of the company were to be cancelled and preferred stock converted into common on the basis of 5 common shares for each preferred held.

Ontario Leads—

In productive capacity, Ontario contributes over 44% of the total for all Canada.

With widely diversified natural resources, including ample present and potential hydro-electric facilities for industrial expansion, the Province of Ontario is advantageously situated to hold its outstanding position in the forefront of Canada's development.

Province of Ontario
3¼% Bonds, due November 1st, 1947
Price: 99.50 and interest, yielding 3.32%

Descriptive circular forwarded upon request.

Wood, Gundy & Company
Limited
Toronto Winnipeg
Montreal Ottawa Vancouver
London, Eng. Hamilton London, Ont.

E. J. McDonnell Becomes Partner Plaxton, Cherry

Plaxton, Cherry & Co., Toronto, Ont., has admitted E. J. McDonnell to partnership in the firm which specializes in trading in unlisted securities.

E. J. McDONNELL

Mr. McDonnell joined the firm of Plaxton, Cherry & Co. in the capacity of manager of sales and trading. He had previously spent a considerable number of years in the investment business. Prior to joining Plaxton, Cherry & Co. he was vice-president of another Toronto brokerage firm. Mr. McDonnell is a member of the Toronto Board of Trade.

Other partners in the firm are A. G. Plaxton and R. C. Cherry.

Dealers in High Grade Securities

Government
Municipal
Public Utility
and
Industrial Securities

HANSON BROS.
INCORPORATED
Established 1883
255 St. James St. West
MONTREAL
OTTAWA TORONTO

The SHERWIN-WILLIAMS Co. of Canada, Limited

and Wholly Owned Subsidiary Companies

Annual Report of Board of Directors for the Year Ending August 31st, 1939

TO THE SHAREHOLDERS:

On behalf of your Directors, I have pleasure in submitting the Consolidated Balance Sheet showing Assets and Liabilities of your Company and its wholly owned subsidiary companies at the close of its fiscal year August 31st, 1939.

Also attached is the Consolidated Statement of Earned Surplus and Profits for the last fiscal year.

The books and accounts of the Company have been examined by your Auditors, Messrs. Price, Waterhouse & Company, and their certificate and report is submitted herewith.

According to our usual custom, the properties and plants of your Company have been maintained in proper condition and the sum of $77,590.60 has been provided for Reserve for Depreciation, which now stands at $1,966,945.04.

All inventories have been taken with care and have been priced on the basis of cost or market, whichever proved to be the lower.

The various units of the Company maintained their sales volume on a slightly improved basis over the previous year, and the first months of the new fiscal year show substantial sales increases. Although these increases may be in some degree ascribed to abnormal conditions, your Directors consider the outlook for the present year as favorable.

The Net Earnings of the Company available for dividends, after making all deductions as shown in the Consolidated Statement of Earned Surplus and Profits, amounted to $510,181.67 as compared with $304,568.41 for the year immediately preceding, equivalent to $14.74 per share on the Preferred Stock of the Company and to $1.34 per share on the Common Stock.

The Total Current Assets of your Company as shown on the Consolidated Balance Sheet amounted to $4,494,451.01 and Current Liabilities to $610,599.34, leaving Net Current Assets amounting to $3,883,851.67.

During the year dividends were paid on the Preferred Stock amounting to $242,200.00 at the rate of 7% per annum.

The Earned Surplus of the Company at August 31st, 1939, stood at $4,305,053.37 as compared with an Earned Surplus at August 31st, 1938, of $4,020,449.34, an increase of $284,604.03 during the year.

With deepest regret your Directors record the recent death of their colleague, A. W. P. Buchanan, K.C., who acted as Counsel for the Company for many years and since 1932 was a member of the Board of Directors. He at all times faithfully discharged his duties as Director, and his wise advice and judgment will be greatly missed by his fellow Directors.

Tribute is again due to the staff of the Organization throughout the country, who continue through loyal co-operation to further the progress of your Company.

Respectfully submitted,
GEO. A. MARTIN, President.

Montreal, Que., November 15th, 1939.

Consolidated Balance Sheet, August 31, 1939

ASSETS

Property Account:			
Balance, August 31, 1938, with subsequent additions, less deductions, at cost		$ 9,320,147.65	
Less: Reserve for Depreciation		1,966,945.04	$ 7,353,202.61
NOTE: The depreciated value as appraised by the Canadian Appraisal Company Limited, at December 31, 1934, plus net additions less depreciation provided since that date is $3,545,380.06. The balance of the book value of Property Account is represented by Formulae, Trade Marks, Processes and Goodwill.			
Investments in and Advances to Partly Owned Subsidiary Companies:			
Investments at cost, less reserve		$ 590,648.42	
Advances		241,760.72	832,409.14
Current Assets:			
Inventories as determined and certified by the Management, and valued on basis of cost or market, whichever was the lower		$ 2,189,727.08	
Trade Accounts and Bills Receivable, less Reserve		1,562,903.55	
Other Accounts Receivable		91,082.43	
Amounts due from Shareholders		38,187.52	
Marketable Securities, at cost	$274,267.29		
Less: Depreciation written off	138,865.50	135,401.79	
(Market value $120,635.00)			
Cash		477,148.64	4,494,451.01
Insurance, Taxes and Other Prepaid Expenses			54,938.45
			$12,735,001.21

LIABILITIES

Capital Stock:			
Seven Per Cent. Cumulative Preferred—Authorized—40,000 Shares of $100.00 each		$ 4,000,000.00	
Issued —34,600 Shares of $100.00 each		$ 3,460,000.00	
NOTE: Dividends aggregating $14.00 per share have accumulated on the Preferred Shares of which $1.75 has since been paid.			
No Par Value Ordinary—Authorized—225,000 shares			
Issued —200,000 Shares		4,000,000.00	$ 7,460,000.00
Due to Partly Owned Subsidiary Company			339,348.50
Current Liabilities:			
Trade Accounts Payable and Accrued Liabilities		$ 279,843.44	
Mortgage Payable, with Interest accrued		8,120.00	
Deposit Accounts		174,597.50	
Provision for Dominion, Provincial and Other Taxes		148,038.40	610,599.34
Reserve for Allowances to Retired Employees			20,000.00
Earned Surplus—As per statement attached			4,305,053.37
Contingent Liability:			
In respect to guarantee of the Bank Loan of a partly owned subsidiary company	$25,000.00		
			$12,735,001.21

Approved on behalf of the Board:
V. M. DRURY, Director
P. F. SISE, Director

CONSOLIDATED STATEMENT OF EARNED SURPLUS AND PROFITS

August 31, 1939

Net Operating Profits for the year ending August 31, 1939, before taking into account the items shown below		$ 753,554.61
ADD:		
Interest and Dividends on Investments	$ 8,380.40	
Dividends from Partly Owned Subsidiary Companies	41,710.00	50,090.40
		$ 803,645.01
DEDUCT:		
Provision for Depreciation	$ 77,590.60	
Provision for Dominion and Provincial Income and Profits Taxes	105,000.00	
Allowances paid to Retired Employees	24,580.66	
Directors' Fees	5,300.00	
Legal Fees	2,112.08	
Salaries paid to eleven Executive Officers of companies consolidated herein	78,880.00	293,463.34
NET PROFIT for the year		$ 510,181.67
Earned Surplus, balance at August 31, 1938	$ 4,020,449.34	
ADD: Prior year's adjustments	16,622.36	4,037,071.70
		$ 4,547,253.37
DEDUCT: Dividends of 7% paid during the year to Preferred Shareholders of The Sherwin-Williams Company of Canada, Limited		242,200.00
EARNED SURPLUS, balance at August 31, 1939		$ 4,305,053.37

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the books and accounts of The Sherwin-Williams Company of Canada, Limited and its Wholly Owned Subsidiary Companies for the year ending August 31, 1939, and have obtained all the information and explanations which we have required; and we report that, in our opinion, the attached Consolidated Balance Sheet at August 31, 1939, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of The Sherwin-Williams Company of Canada, Limited and its Wholly Owned Subsidiary Companies, according to the best of our information and the explanations given to us and as shown by the books of these Companies.

In accordance with Section 114 of The Companies Act, 1934, we also report that in respect to three partly owned subsidiary companies the aggregate profits for the year were taken up in these accounts to the extent that dividends were declared; in respect to two other partly owned subsidiary companies, the aggregate losses for the year, amounting to $31,473.40, have not been provided for in the attached accounts.

PRICE, WATERHOUSE & CO.
Auditors.

Montreal, November 6, 1939.

CRAVEN "A" FOR YOUR THROAT'S SAKE!
CRAVEN "A"

Wherever you buy them, cork-tipped Craven "A" are always in perfect condition . . . fresh!

WILL NOT AFFECT YOUR THROAT

PACKETS 25¢ TINS 70¢

CRAVEN PLAIN —without cork tip— same fine quality as Craven "A".

Carreras Ltd., London, England
150 Years' Reputation for Quality

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad., $1.75. Three insertions for the price of two. Add five words when box number is required. Classified ads. payable in advance.

Kirkland Lake

FOR RENT — WELL LOCATED STORE on Main Street, apartments above, one of the leading stores in city. Will alter to suit tenant. Box 201, The Financial Post, Toronto.

Young Man Required

. . . by an Ontario trust company outside of Toronto; one having some trust company experience. Write fully, stating age and outlining qualifications as to education and experience. Box 209, The Financial Post, Toronto.

Executive Seeks Change

EXECUTIVE — CONTROLLER — Credit Manager — Expert Accountant —fully trained and experienced—member of two well-known professional associations — unusual record in effective budgetary control—accustomed to complete responsibility for financial end of business—39 years old—Canadian—seeks change for personal reasons. Box No. 207, The Financial Post, Toronto.

Service for Investors

A highly trained and successful statistical organization is prepared to undertake the supervision of several medium sized portfolios — The Service includes analysis of present holdings — recommendations and timely changes — re-investment for appreciation. Service confidential, highly regarded and long established. A note to us will bring you the very favorable terms on which the Service will work to your advantage. Box 199, The Financial Post, Toronto.

Chartered Accountant

AGE 33, CAPABLE AND EFFICIENT, desires position with financial or commercial organization. At present in responsible position with firm of chartered accountants, but opportunity with good future prospects in progressive business is now desired. Box 213, The Financial Post, Toronto.

Able Executive

ACCOUNTANT—MANAGER TRADER, fully qualified, desires position of trust and responsibility. Wide experience, including twelve years with reputable bond house. Age 41, married, highest references. Willing to go out of town. Box 215, The Financial Post, Toronto.

Municipal Debentures For Sale

Tenders for the purchase of instalment debentures of the Municipality of the township of Pickering for $11,000, bearing interest at 4% per annum, repayable during a term of 20 years from December 15th next, will be received by the undersigned Clerk up to November 25th next.

The lowest or any tender not necessarily accepted.

DONALD R. BEATON,
Clerk,
Whitevale, Ontario.

ACCOUNTANCY
AND ALLIED SUBJECTS

The Shaw Higher Accounting Courses by Mail prepare for all accounting positions. Choose the Shaw Course. 40 years of success. 500 expert accountants for reference. The broader your knowledge the better qualified you are for advancement when the opening occurs. Course is planned in 3 sections—we can catch step with you at any stage and guide you to the top. Allied Subjects Include: Cost Accounting, Auditing, Corporation Finance, Practical Banking, Business Administration, Secretarial Practice, Economics, Commercial Law, etc.

MAIL THIS COUPON TODAY

SHAW BUSINESS SCHOOLS, Dept. 79
Bay and Charles Sts., Toronto, Canada

Please send me your Free Syllabus of Studies on Accountancy and Allied Subjects.

Name
Address
City LR

Bond Markets

High Grade Price Rise Halts In Quiet Trading

Market Awaits Definite News of New Dominion Issue—Long-term Maturities Register Fractional Declines During Week

Trading on Canadian bond markets during the week was exceedingly quiet, with little to motivate movements of prices either one way or the other.

Advancing high-grade prices of the past several weeks came to a halt, with fractional declines in the long-term maturities. Short and medium obligations were practically unchanged from the previous week. Slide of the Canadian dollar in New York enhanced the value of bonds with external pay features. Demand for higher grade issues was mild, while supply was still meagre.

Provincial issues showed divergent trends. Eastern bonds were somewhat easier. Westerns were firm, while British Columbia issues were stronger.

Higher grade public utility and corporation bonds were strong. More speculative issues generally declined.

Sale of 90-day Dominion treasury bills, dated Nov. 15, reflected firmer interest rates, with an average yield on accepted bids amounting to 0.872%, compared with 0.858% of the previous issue.

In the week ended Nov. 9 the Dominion of Canada long-term bond prices index was slightly higher, rising to 113.3 from 113.2 in the week ended Nov. 2. This index, however, does not reflect the decline which occurred in the latter part of the week. On Nov. 9 the daily index fell to 112.8 from 113.4 on Nov. 8.

* * *

Dominion Offering

Current reports that the Dominion Government is to offer in the near future $300 millions of 3½% bonds, are somewhat premature. Discussions between the Government and large investment dealers have been in progress for some weeks, but nothing of a definite nature has yet emerged from these conversations. When the issue is to come, how large it will be, what coupon or maturity the issue will carry, has yet to be decided.

It is believed probable that the general public will be given the opportunity to buy bonds as it was in the last Great War. Through various offerings of Victory bonds, small investors were given ample opportunity to buy bonds in the preceding conflict.

* * *

Patriotic Appeal

The patriotic aspect of the subscription was emphasized and some misunderstanding arose among a public which had not hitherto regarded bonds as a medium for the small investor. One individual with a $1,000 Victory bond is said to have regarded her investment as a patriotic gift and framed the certificate as testimony to her patriotism. Later discovery that interest was payable on the certificate, and the principal repayable, came as a pleasant surprise to this patriotic soul.

The financing that Canada was called upon to undertake during the last Great War brought financial maturity to this country. It created a domestic bond market and popularized high-grade bonds as a medium for the small investor.

* * *

Favorable Prospects

Circumstances appear reasonably favorable for a substantial Dominion issue at this time. For one thing, the high-grade market has been maintained at a fairly high level. Canadians are far more cognizant of the wealth and power of the Dominion than in 1914 and regard the obligations of the Dominion as having proved their safety and stability over a period of years. The patriotic aspect will undoubtedly be once again a powerful influence in subscriptions by the small investor.

* * *

S. American Defaults

The Roosevelt Administration is reported to be making a determined effort to bring about settlement between U.S. bondholders and defaulting South American countries. It is believed that some concrete results will be announced on debt resumption in the near future.

The U.S. Government is believed to be anxious to be able to present some achievements in this regard to Congress when it meets next January. The default situation stands in the way of extension of credit to Latin-American governments and unless Congress can be persuaded that something can and will be done to clear up these defaults the Administration will not be able to obtain permission to make advances as it desires.

It is scarcely likely that the Foreign Bondholders' Protective Council will be superseded by other agencies more directly connected with the Government, because of the fact that the defaulted debt is entirely private.

* * *

Bond Index

DOMINION OF CANADA
Long-term Bond Index

	Latest week Nov. 3-9	Preceding week Oct. 27-Nov. 2	Weekly average year ago
Price	113.3	113.2	117.7
Yield	68.6	68.7	61.8

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Robt. Simpson ..	*5%	1952	Jan. 1 '40	105
Riordon Pulp ...	*6%	1942	Dec. 31	103
Eastern Car ...	‡6%	1952	Jan. 1	105
Preston E. Dome	6%	1943	Jan. 1	103
Can. Foundries ..	6%	1942	Feb. 2	110
Mississippi R. Pr.	†5%	1951	Jan. 1	105
Porto Rico Tel.	•6%	1944	Dec. 1	105

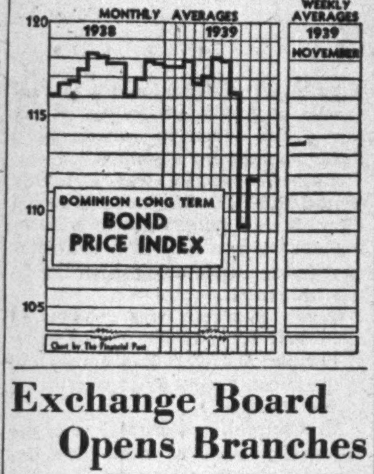
Drawn by lot for sinking fund, †$151,500; •$61,000; ‡$35,000; *$86,300.
*All outstanding balance.

Bond Tenders

5 p.m., Nov. 20, Saint-Hyacinthe, P.Q.—$410,000, 3½%, dated July 1, 1939, redeemable serially during 30 years. Alternate bids at rate of 4% may also be offered. M. A. David, clerk.

5 p.m., Nov. 21, Corporation of Parish of L'Annonciation (Oka.), P.Q.—$15,200, 4%, dated Nov. 1, 1939, maturing annually over a period ending Nov. 1, 1959. F. Harbour, sec.-treas., Oka, P.Q.

Nov. 25, Township of Pickering—$11,000, 4%, 20 years, dated Dec. 15, 1939. D. R. Beaton, clerk, Whitevale, Ont. (See announcement on page 5.)



Exchange Board Opens Branches

Offices Being Established in Toronto, Montreal and Vancouver

An office has been opened by the Foreign Exchange Control Board in Toronto, following plans announced by Graham F. Towers, head of the board. The Toronto office is to be in charge of R. F. Bruce Taylor, assisted by C. G. Sherwood. The former is a partner in the accounting firm of Edwards, Morgan & Co. and the latter associated with Rutherford Williamson & Co. Both are on leave of absence to permit them to serve the Board.

The Toronto office is a branch of the commercial section of the Board. It will deal with problems arising out of import and export transactions with particular reference to the examination of monthly returns required from certain companies. It is expected to enlarge the scope of the work to be done in Toronto to the point of taking care of enquiries which must now be sent to Ottawa.

Work of organizing a Montreal office is also underway while one has already been opened in Vancouver.

VANCOUVER BRANCH

From Our Own Correspondent

VANCOUVER.—As part of the policy of the Foreign Exchange Control Board to decentralize its operations, at least as far as the Pacific Coast is concerned, Douglas Dewar, formerly of New York, has been appointed supervisor for the Board, with head office in Vancouver in the Bank of Canada Building.

Mr. Dewar, Scottish-born, went to the United States and for more than 20 years was with the accounting firm of Peat, Marwick & Mitchell, latterly as senior partner. He retired last June with the intention of settling down in a farm in the Okanagan Valley of British Columbia. The war, however, induced him to volunteer his services to Ottawa and his appointment by the Exchange Control Board followed.

Mr. Dewar's appointment was welcomed in Vancouver by the Investment Dealers Association and other groups who had urged that some form of representation on the coast be arranged owing to the delay and expense of communicating with Ottawa on various complicated points involved.

Bond Sales

Dominion Treasury Bills

After having weakened in the past two issues, yield on Dominion treasury bills moved upward with the sale of $25 millions, dated Nov. 15 and maturing Feb. 15, 1940.

Average price on accepted bids was 99.78081, and average yield was 0.872%. This compares with 99.78412 and 0.858% in the previous issue, dated Nov. 1, and maturing Feb. 1, 1940.

* * *

Verdun Catholic Schools

Société Général de Finance Inc. is offering $295,500 of 5% debentures of the Catholic School Commission of Verdun, Que. The debentures are being offered at 101, to yield approximately 4⅞%. They are dated July 1, 1939, and mature 1940 to 1948.

* * *

Dominion Coal Co.

Wood, Gundy & Co. has sold an additional issue of $1.5 million of Dominion Coal Co. 4½% first mortgage bonds, due Oct. 1, 1952, at par and accrued interest.

Proceeds will be used to increase working capital, which it is believed will be sufficient to permit the company to meet out of current assets maturity on Oct. 1, 1940, of $2,148,000 first mortgage bonds of its wholly-owned subsidiary, Cumberland Railway & Coal Co.

Canadian Cottons Co. Mill on Capacity Basis

From Our Own Correspondent

MONTREAL. — Canadian Cotton Co.'s mill at Marysville, N.B., which has been running three days a week for over a year, has been on a full-time basis since the middle of October.

Mercury Mills Presents Plan

Bondholders' Meeting is Slated For Dec. 20 to Consider Scheme

Bondholders of Mercury Mills Ltd. will be asked to approve a plan of capital reorganization at a special meeting in Toronto, Dec. 20.

The plan would create new first mortgage bonds to the sum of $1,041,000 and provide for exchange of the present preference and common shares into new common. There would be authorized $801,000 of new first mortgage 20-year 5% bonds, dated Nov. 1, 1939, and $240,000 first mortgage 5% serial bonds, dated Nov. 1, 1939, and maturing Feb. 1941-48.

Features of the proposal are:

1. Holders of the present first mortgage 5½% sinking fund gold bonds, series A, would receive for every $1,000 principal amount of bonds—

a. $600 principal amount of the new 20-year first mortgage bonds, and b. 30 shares of the new no par capital stock.

2. Holders of the present 6% preference stock would receive 3½% new common shares for each preference.

3. Common shareholders would receive one new common share for each 10 common shares held.

The proposed and present capitalization compare as follows:

Proposed Capitalization	Author.	Outstand.
1st mtge. 20-yr.	$801,000	$801,000
1st mtge. serials	$240,000	$150,000
Common, n.p.v.	100,000 sh.	100,000 sh.
Present Capitalization		
1st mtge.	$3,000,000	$1,335,000
6% pref., $100 par ..	$2,000,000	$1,000,000
Common, n.p.v.	45,000 sh.	45,000 sh.

Bondholders Get Control

Of the 79,550 no par common shares to be issued under the reorganization plan, 40,050 shares would be distributed to existing bondholders, giving them voting control. Present preference holders would receive 35,000 new common shares and present common shareholders would hold the remaining 4,500 shares.

It is proposed to create $801,000 of 20-year first mortgage bonds, all of which will be issued to existing bondholders. An additional serial issue of first mortgage bonds would be created, with an authorized amount of $240,000. There would be $150,000 of these bonds issued to provide funds for corporate purposes. They will possess the same security as the fixed term issue.

Both issues will be secured by a fixed and specific mortgage and charge on all lands, machinery and plant and other fixed assets of the company, including those of the wholly-owned subsidiary P-K Mills Ltd. and a floating charge on another wholly-owned subsidiary, Maitland Spinning Mills.

Call Feature

Interest on the new first mortgage 20-year bonds would be payable May 1 and Nov. 1. The bonds would mature Nov. 1, 1959, and be redeemable in whole or part on 30 days notice with payment of a 5% premium before Nov. 1, 1944; 4% to Nov. 1, 1949; 3% before Nov. 1, 1954; 2% before maturity, plus accrued interest.

The serial issue would be dated Nov. 1, 1939, and mature Feb. 1, 1941-48, in $30,000 installments. Interest would be payable Feb. 1 and Aug. 1 and the bonds would be redeemable in whole or part at 30 days notice by payment of a 2% premium plus accrued interest. The serial bonds may be issued or sold at not less than 95%. Interest and principal would be payable in Canadian funds only.

Provision for sinking fund on the 20-year bonds is made, beginning May 1, 1941, of an amount equal to one half of net operating profits for the preceding fiscal year. Sinking fund payments must not reduce net working capital, as defined by trust deed, below $750,000.

Common Ownership Changed

It is stated in the agreement between shareholders that Harold G. Smith, formerly general manager of Mercury Mills holds 25,089 of the present common stock. Mr. Smith is employed by the company as a consulting expert under contract, dated June 12, 1935, for a term of five years at a salary of $6,000 annually. The company has agreed to extend this contract for five years if and when the present arrangement is approved. R. H. Hommell, president, has agreed to purchase Mr. Smith's holdings of common shares for $12,500, 30 days after the arrangement becomes effective.

All rights of preference shareholders would be extinguished and arrears eliminated. Arrears on the 6% preference at Dec. 31 will total $54 a share.

Adjustment of the present shares would create a capital surplus of $145,289. Paid-up capital of the new company would be valued at $1,060,667.

The remaining unissued 20,450 new common shares may be issued for consideration not to exceed $300,000. Fractional share warrants would be issued for odd lots.

The committee appointed at the special meeting will be empowered to settle all details of the plan of reorganization.

Highway Lighthouse Co. Surrendering Charter

From Our Own Correspondent

MONTREAL. — Application has been made to the Secretary of State by the Highway Lighthouse Co. for leave to surrender its charter. This company, a wholly-owned subsidiary of Shawinigan Water and Power Co., was formed for the purpose of carrying on experimental work in highway lighting.

Foreign Exchange

During the week Nov. 7 to Nov. 13 there was no change in the quotation of the United States dollar at Toronto and Montreal, which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

Other Currencies, Nov. 13

Australia	3.58	Italy	.0560½
Belgium	.1817	N. Zealand	3.61
Denmark	.2149	Norway	.2524
France	.0248	S. Africa	4.47
Holland	.5805	Sweden	.2645
Hungary	[illegible]	Hong Kong	[illegible]
India	[illegible]		

Bank Of Canada To Fill Vacancy

Directors Will Elect Successor to Thomas Bradshaw on Executive

Vacancy on the executive committee of the Bank of Canada caused by the death of Thomas Bradshaw will be filled by the election by the remaining directors of one of their number. The executive committee of the bank consists of the governor, deputy governor and one director selected by the board. The vacancy on the board of directors will be filled by appointment by the Minister of Finance for the balance of Mr. Bradshaw's term, which would have expired in 1941.

Directors of the bank from whom the new member of the executive committee will be chosen are:

J. L. Holman, Summerside, P.E.I.
R. McQueen, Winnipeg.
F. Magee, Port Elgin, N.B.
A. C. Picard, Quebec, Que.
R. A. Wright, Drinkwater, Sask.
W. D. Black, Hamilton.
Lt.-Col. C. Brown, London, Ont.
G. G. Coote, Nanton, Alta.
W. K. McKean, Halifax, N.S.
J. Beaubien, Montreal.

G. F. Towers, governor, and Donald Gordon, deputy governor, are also members of the board with W. C. Clark, deputy minister of finance, member ex officio.

Dom. Rolling Stock Issue Serial Bond

Place $424,000 of 4½'s, All Guaranteed by Dominion Coal

From Our Own Correspondent

MONTREAL. — Dominion Rolling Stock Co., wholly-owned subsidiary of Dominion Coal Co., has increased its outstanding serial equipment bonds by the issuance of another block of bonds, guaranteed by the parent company.

At the end of 1938 Dominion Rolling Stock had outstanding $794,000 of 4% serial equipment bonds, of which $182,000 were guaranteed by the parent company. On November 1 last the aggregate amount of serial equipment bonds outstanding was $1,124,000 divided into four issues.

Returns show that during the current year the company reduced the 4% guaranteed bonds from $182,000 to $156,000, while the general 3½% bonds declined from $272,000 to $204,000. The block of 4% general bonds, amounting to $340,000, remains unchanged. At the same time the company issued $424,000 of 4½% guaranteed serial equipment bonds, due from 1940 to 1947. This represents new financing.

Non-Residents Find Way To Liquidate Investments

From Our Own Correspondent

MONTREAL. — Non-residents wishing to liquidate investments in Canada have found a loophole in the regulations of the Foreign Exchange Control Board.

One of the purposes of foreign exchange regulations was to prevent non-residents from disposing of securities they held in Canada and transferring the funds out of the country. However, some non-residents have found a legitimate means of getting around the regulations.

The procedure involves switching their investments in Canada into short term securities. The latter, on maturity, give the non-resident Canadian dollars which are deposited in one of the chartered banks. The Canadian funds represented by the bank deposit are then sold in the New York market.

Regulations Changed

When foreign exchange regulations were first instituted it was possible for a non-resident to liquidate his holdings against cash, providing the resident purchasing same secured a permit to transfer Canadian funds to a non-resident. Thus, it was comparatively easy for a non-resident to convert his Canadian investments into Canadian funds. However, this is no longer possible for such permits are not now being issued.

It is still possible for a non-resident to switch from one Canadian security to another and this does not require a permit. But purchase of the new securities must be made before securities held are sold. Furthermore, cost of the new securities must equal or exceed the market value of those being sold.

For instance, a non-resident who holds $25,000 of Shawinigan Water and Power common stock can switch to Dominion of Canada bonds. First, however, the non-resident must purchase $25,000 of Dominion of Canada bonds. He or she can then sell the $25,000 of Shawinigan common.

Switch Into Bonds

Recently a number of non-residents have made such a switch into Dominion of Canada bonds due Nov. 15. This means that on Nov. 15 they will be in possession of Canadian dollars which they can sell in the open market in New York. Some have also switched into Dominion of Canada treasury bills.

Transactions such as these are reported to have had a depressing effect on the Canadian dollar in New York. On the surface it appears that Canadian funds are merely being transferred from one non-resident to another. Actually, there is a loss of exchange to Canada if the purchaser in New York uses the funds to meet commercial obligations in Canada.

No information is available as to the volume of transactions. It is assumed, however, that they are not large in the aggregate. If they were, the Foreign Exchange Control Board would probably take action to prevent the transfer.

Louisiana Land Income Off Sharply

From Our Own Correspondent

MONTREAL.—Louisiana Land & Exploration Co. in its report to the Montreal Stock Exchange for the third quarter of 1939 showed net loss of $13,162 or a deficit of 0.004 cents per share. This compares with a profit of $302,600, or 10 cents, in the same quarter a year ago.

Net oil and gas income was substantially down when compared with the same quarter last year, while a similar situation existed in respect to net income before depreciation and depletion. Other income amounted to $15,674, while no figure was shown for the same quarter a year ago.

COMING EVENTS . . .

Coming events cast short shadows, or none, today: speed and unexpectedness seem to characterize developments. In the field of estate conservation this condition demands constant vigilance and well informed management. ¶ The Toronto General Trusts offers you the major advantage of a permanent organization, able to bring the group judgment and group experience of its officers to bear continuously on your estate problems from year to year. ¶ When you appoint this Trust company your executor you provide a solution to the problem of administering your estate in the future; you insure that its management will always be abreast of the march of events.

THE
TORONTO GENERAL TRUSTS
CORPORATION

Assets under administration $237,000,000

EXPANDING . . .
MODERNIZING . . .
YOUR PLANT?

JOHNS-MANVILLE JM PRODUCTS

Speed the Work with
JOHNS-MANVILLE
Building Materials

✱ J-M BUILT-UP ROOFS ✱ J-M CORRUGATED TRANSITE SIDING
✱ J-M INDUSTRIAL FLOORING ✱ J-M INSULATING BOARD PRODUCTS
✱ J-M ASBESTOS WALLBOARDS ✱ J-M ROCK WOOL INSULATION
AND MANY OTHER ESSENTIAL MATERIALS FOR FACTORY, SHOP, MILL & OFFICE

CANADIAN JOHNS-MANVILLE CO., LIMITED, TORONTO 6, ONT.

United Amusement Declares Dividend

From Our Own Correspondent

MONTREAL.—United Amusement Corp. has declared a dividend of 45 cents a share on its Class "A" and "B" shares, payable Nov. 30 to shareholders of record Nov. 15.

This brings dividend payments on Class "A" and "B" stock to 75 cents a share for the current year, the same as was paid in 1938 and 1937.

Aluminum Co. Builds More Houses at Arvida

From Our Own Correspondent

MONTREAL.—Aluminum Co. of Canada has let a $200,000 contract for the construction of 54 dwellings at Arvida to J. L. E. Price and Co., of Montreal.

United Bond & Share Reports Lower Profit

From Our Own Correspondent

MONTREAL. — United Bond & Share Ltd. reports a profit for the year ended Sept. 30, 1939, before income taxes, of $10,224, as against $14,736 the year before. Income taxes stood at $576 as against $2,227 a year ago, leaving $9,648 against $12,509. The sum of $6,161 was transferred from purchase and sales improvement account to cover common dividends paid of $15,809.

Profit and loss account on purchase and sale of investments showed a net loss of $19,775 and $6,161 transferred to earned surplus account. This tended to reduce the balance from $109,146 to $83,209.

BALANCE SHEET AS AT

ASSETS

CURRENT

Cash on Hand and in Banks....................$ 176,329.21
Accounts and Bills Receivable.................. 1,961,272.90
Loans and Advances, less Reserve.............. 322,454.28

.... UNLIMITED
Inventories of Finished Products...$1,842,321.56
Inventories of Raw Materials....... 2,431,921.24
4,274,242.80
$ 6,734,299.19

DEFERRED CHARGES
Insurance, Taxes and
P ,129.66
INV
Se 279.12
PRO
Offi
Ma
Buil
Lan 1.62
TRADI .00
.59

YOUR MOST VALUABLE ASSET DOES NOT APPEAR ON YOUR BALANCE SHEET

"Deprive us of our physical assets, take away our surplus and reserves, our bank balances, even our offices and furniture, but leave us our trained employees and, in a few years, we would have all the rest back again."

This statement was made by the vice-president of a world-famous corporation. It is no exaggeration. A staff of trained, loyal, contented employees is any company's most valuable asset, and one without which lasting success in any field is impossible.

Cooperation with industry to assure a future supply of trained men—from apprentices to high executives—has been a feature of I.C.S. service for more than forty years. Over 2300 companies and 285 railroads utilize I.C.S. training. These companies cooperate by SELECTION, in order that the right employees shall be enrolled; by COORDINATION, that the student employee may combine technical training with his occupation; and by ENCOURAGEMENT, that those who are striving for improvement may be stimulated to complete their courses.

Your employee does not look to you to pay for his technical training—he is fully prepared to do that. But he does look to you for advice, guidance and cooperation. Let us send you a monograph, "Training for Industry", which describes a simple, adaptable and efficient plan of cooperative training.

INTERNATIONAL CORRESPONDENCE SCHOOLS
CANADIAN, LIMITED, MONTREAL

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post has the largest paid circulation of all Canadian financial papers.

The Financial Post Business Year Book and Market Survey, Yearly, $2.

The Financial Post Survey of Corporate Securities, Yearly, $2.

The Financial Post Survey of Mines, Yearly, $2.

Directory of Canadian Directors and Officials, $8.

The Financial Post Survey of Canadian Oils, Yearly, $1.

The Financial Post Corporation Service, $20 monthly. Special prices for individually selected investor's service.

Editor—Floyd S. Chalmers
Business Manager—D. M. Gowdy
Published by
THE MACLEAN PUBLISHING CO., LIMITED
481 University Avenue, Toronto 2.
Founder and Chairman—John Bayne Maclean
President—Horace T. Hunter
Vice-President and Managing Director—
H. Victor Tyrrell

ADVERTISING RATES
Single insertion—$4.20 per inch.
Contract rates upon request.
SUBSCRIPTION PRICE
Canada, United States, Mexico, British Empire, $5 per year, all other countries, $6.

MONTREAL—Dominion Square Bldg., Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.

GREAT BRITAIN, London—Sun of Canada Bldg., 2, 3 and 4 Cockspur St., London, S.W.1, Telegraphic Address, Atabek, Lesquare, London.

TORONTO, NOVEMBER 18, 1939

The Financial Post Editorial Platform for Canada

Winning the war has become the focal point for national and personal effort in Canada. This requires full mobilization of the nation's material and spiritual resources. To the fullest degree this should be obtained by individual effort, freely made. Strong national leadership will inspire service and sacrifice that will reduce the need for regimentation and compulsion.

The Financial Post believes such objectives require:

1. *Strengthening cabinet leadership by drawing upon Canada's best executive brainpower irrespective of political considerations.*
2. *Elimination of public and private waste.*
3. *Pay-as-we-go financial policy.*
4. *Planning the war effort with the post-war as well as the emergency needs in mind.*

In achieving these objectives the spirit of sacrifice and unity in Canada can be used in finding sound, long-term solutions to problems left unsolved in the idle days of peace.

Canada's Public Relations

RECENTLY New York's $156,000,000 World of Tomorrow became a "Ghost Town." Workmen started boarding up exhibits. The management hibernated for the winter to make plans for the anticipated reopening on May 25, 1940.

This leaves Canada but a few months to revamp its 1939 exhibit—an exhibit which should have been a key salient along the U. S.-Canada public relations front.

Now that Canada is at war, the need for replanning this exhibit — making it more worthy of Canada and of a sort which would command favorable comment and attention in all parts of the United States—is increasingly apparent. No time should be lost in overhauling it; moving it if possible to a better location.

• • •

There are many reasons for this.

One reason is the increased emphasis on Canada as interpreter between the United States and the Empire. As part of our war effort, Canada might acquire for the 1940 Fair one of the better-placed pavilions left vacant by European nations. Such a move would be constructive not only for Canada but for the Allied cause.

It would show Canada in her true light as an increasingly potent influence in world and Empire affairs; would give us a better opportunity to combat misleading anti-allied propaganda among people who normally exhibit only the friendliest feelings toward this Dominion.

• • •

Another reason for using our utmost imagination and salesmanship at New York next year is that would-be tourists will need to be reassured of the welcome they will receive in this country in 1940 even though we be at war. There are many false and misleading notions that the war has set up barriers to tourist entry. On the contrary, Canada is an unusually attractive vacation spot because American dollars, on the basis of present exchange rates, go 10% farther than usual.

Then American investment ideas and dollars should be given assurance as to the underlying security and opportunities for profit that exist in Canada. Normal trade between the two countries totals almost a billion dollars annually. Present American investment here is about $4 billions. Within the next decade these totals may be increased enormously. Yet at a time such as this, Exchange Control and similar regulations enacted primarily for the purpose of conserving national resources and insuring the country's financial integrity, are apt to be misunderstood.

• • •

Rebuilding our New York pavilion with these aims in mind is but one part of this very important job of strengthening Canada-U. S. relationships. Our tourist campaign, the public relations of various wartime control boards, the work of our Minister at Washington and the need for a national short-wave broadcasting station are other important aspects.

Ottawa might well seek the advice and assistance of a small group of Canadian advertising and sales executives for this essential public relations programme. Such men would assist the Government gladly on a "dollar-a-year" basis as part of their war effort.

If even $1.5 million were spent to merchandise goodwill and mutual understanding and to better trade relations between the two nations, the amount would still be only one tenth of one per cent of the total involved in settling our mutual balance of international payments.

A Professor Probes a Business

"BUSINESS has nothing to hide." So businessmen are constantly declaring and they believe it to be true. But how many of them would be willing to let an independent investigator study every document and file in their records and publish his interpretation of them to the world?

The truth is that few businessmen have anything to hide or any practices in their business they would dislike exposing to public scrutiny. And yet many business firms are so secretive about their affairs that the public is left susceptible to every piece of malicious gossip about them, and about business in general.

One of the most candid appraisals of any business firm ever undertaken is the Harvard study of N. W. Ayer and Son, just published as a book of some 650 pages under the name of "The History of an Advertising Agency." To write this study a Harvard professor spent many months in the Ayer offices in Philadelphia and elsewhere. He had access to every record. He was given unlimited authority to publish whatever he wished, with the exception of facts and figures of a confidential nature, not concerning the Ayer business, but concerning the business of their clients. When Professor Hower disagreed with the Ayer executives in an interpretation the argument was submitted to another Harvard professor for arbitration. Usually agreement resulted. Nevertheless, Professor Hower was free to criticize where he found reason for criticism.

He found little in the 70 years record of this business firm to impress him unfavorably. Rather he was astonished by the progressive record of improving ethical standards and of service in the business world and particularly in that area dealing with advertising.

The Ayer firm is a cross-section of advertising. Advertising is in turn a projection of business. Thus this volume is an analysis of business as a whole.

When a university professor looks at business and finds it good, that's news. Let's have more business firms telling their story candidly or letting independent critics study their affairs.

Economy in Quebec

PREMIER Adelard Godbout of Quebec has made a promising start in selecting a strong cabinet to assist him in restoring sound business and financial administration in the affairs of the province. His next task—and this will be a real test of his ability to give constructive leadership—is putting his financial house in order and the restoration of Quebec's credit to its former high position.

The Premier has already stated there will have to be "rigid economy." Such a policy is never popular with political leaders but Mr. Godbout will have the support of a large majority of his electors in giving more than lip-service to his good intention of cutting expenditures.

One important avenue for economy is the civil service. The new premier has already indicated that this is on the list. French-Canadians will commend this. The number of employees increased from 3,564 in 1936 to 5,517 in 1938. In the current year there has been a further increase.

There is no justification for the wholesale dismissal of civil service employees merely because there has been a change in government. The precedent of the Duplessis government is one to be abhorred rather than followed. The reduction in personnel is necessary not for "revenge, but only for the sake of economy and efficiency," to quote Mr. Godbout.

Premier Godbout could set no better example for economic and efficient provincial administration than to remove the civil service entirely from the realm of politics. Such a policy even if it were introduced by degrees would mark an important advance in provincial political leadership. It would strengthen the confidence of French-Canada and of the Dominion in the new administration in Quebec.

Thomas Bradshaw

WE FEEL a very real sense of personal loss in the death of Thomas Bradshaw. For twenty years or more he had been ready and eager to give counsel or information to the most junior member of our staff. On no occasion were his advice or views not freely and generously given. Always he made problems seem less troublesome, worries easier to solve.

This experience must have been shared by thousands of people in all parts of Canada who found him a friend and counsellor. Young and old, strong and weak came to him for advice and help; none came in vain. No benevolence was too humble or too great for him to champion and espouse.

Few men have ever touched the busy stream of commercial and social life at as many points as did Mr. Bradshaw. By his own pluck and determination he rose to a life of unparalleled activity and usefulness. The variety and success of his business accomplishments were only equalled by his unflagging zeal for Christian and community service.

How he found the time to direct the affairs of a score of enterprises and causes—any one of which would have seemed a full-time job for most men—only he himself and those who worked most closely with him, know. His life was a constant rebuke to those who say: "I have no time to do this."

Thomas Bradshaw found time to do almost everything and to do it well. He organized his hours, his days, his minutes so that his church, his community, his country shared equally with the business world in the use of his great talents.

Life in Canada is better because Thomas Bradshaw was for three score years and ten faithful to the motto on his family crest: "Not for ourselves only are we born."

A Worthy Record

LIFE insurance companies have lost no time in assuring four million policyholders that they need have no concern for the financial safety and security of their contracts. In good times as in bad, in war as in peace, every policy of the life insurance companies in Canada has been honored in accordance with the terms of the individual contract.

The fine record of life companies in the last war is worthy of attention.

When the war started, life companies in Canada has less than $1.2 billion of business on their books. By 1919, this amount had almost doubled. During that time every policy was met in full. The costly scourge of an influenza epidemic had been met as well.

Today there is over six billions of insurance in force in Canada. Despite years of depression, the security behind every policy has been maintained and indeed strengthened. Policy reserves are at the highest point in history.

Life companies in Canada are confident that the record of the past 100 years, which has been maintained through all manner of national emergencies, will again remain unbroken during the present conflict.

The Canadian Editorial of the Week

The Wise Course to Follow

Winnipeg Free Press

What Canada is interested in is the conduct of the war, and on that score—let there be no doubt about it—public opinion is sensitive, acute and resolute to correct abuse. If Dr. Manion can successfully prove that in large and important matters since war broke out there has been favoritism, partisanship or inefficiency, he will render the country a very great service and he will properly earn a rich reward from an electorate which would recoil with violence from any government that fell into any such error.

The references made by Dr. Manion to the situation that existed in the Department of Defence up to the outbreak of war are not of a nature that will surprise readers of the Free Press. But one may wonder why Dr. Manion should only now make up his mind to take determined action in these matters. For almost 18 months this newspaper criticized and protested many of the steps taken by the late Minister of Defence, Mr. Ian Mackenzie, but it cannot be said that the Federal Conservative party appeared too greatly concerned about them. The Bren Gun controversy petered out in the House of Commons last session due solely to the failure of the opposition led by Mr. Manion to pursue the fight. We do not propose to recapitulate these events at this time, though it must be said that the additional evidence secured and published of recent weeks by The Financial Post has been of a nature fully to reinforce the conclusions reached by the Free Press long ago.

It was a matter of deep regret to many people across Canada—and not least to the Free Press—that the revelations regarding the Bren Gun contract were not immediately followed by a re-organization on sweeping lines of the Department of Defence. That re-organization took place only after the outbreak of war, and the decision then taken to replace the Minister and the Deputy Minister with men who had the confidence of the country were steps which were hailed as a token of the honesty and sincerity of purpose of the Government.

The legacy of the past, however, remains, and the Government would act with wisdom if it did not wait until Parliament met to institute the most sweeping investigation into the contracts and arrangements made by the Department of Defence under its former administrators. There is no particular need to set up a Royal Commission, or to ventilate in public over a period of months the nature and circumstances of the small contracts signed before the outbreak of war. Their total amount, compared with the vast war expenditures now being made, is trifling. Important though the principle involved is, it would probably facilitate our war effort and at the same time satisfy public opinion, if the announcement were made that every contract made from 1935 to the fall of 1939 was to be re-examined and overhauled in the light of the present facts; and that prompt action would be taken to deal with any unfairness or incompetence that was uncovered. We venture the guess that it would be found worth while.

This would be the prudent course for Mr. King to follow—not only for the sake of himself and his political fortunes, but for the general impression of zeal, competence and fairness which it would properly engender in the public mind. Failure to do so might well precipitate a controversy of a kind damaging to our war effort itself.

Editorials in Brief

The British Cabinet continues its leadership through well-timed words of inspiration. From Lord Halifax a reasoned, challenging exposition of Britain's War Aims. From Winston Churchill the fightingest speech yet delivered from British lips in World War No. 2.

Canada's War cabinet can well take a lesson from the word-of-mouth leadership of British statesmen. Similar speeches should be delivered to tell of Canada's plans and purposes each and every week while the conflict lasts.

• • •

And Don't Forget—your Red Cross contribution can be deducted up to 50% of your net taxable income.

In short, those liable for income taxation do not pay all of each dollar they give the Red Cross. Part of the contribution is made through the government relinquishing its claim to taxation.

You can estimate just what this liberal 50% allowance means if you know the "top" rates of tax you pay. This allowance comes off the "top" of your income tax assessment. You can reduce your assessment directly in the higher brackets by the amount of the gift you make. If your top rates are around the 20, 40 or 60% mark you save almost a proportionate amount on every dollar you contribute.

There is liberal incentive here to make your contribution to this magnificent work of mercy unusually generous.

Sayings of the Week . . . .

"War has at all times called for the fortitude of women."—*Queen Elizabeth.*

"We have no idea what the shape of the post-war world will be."—*Viscount Halifax.*

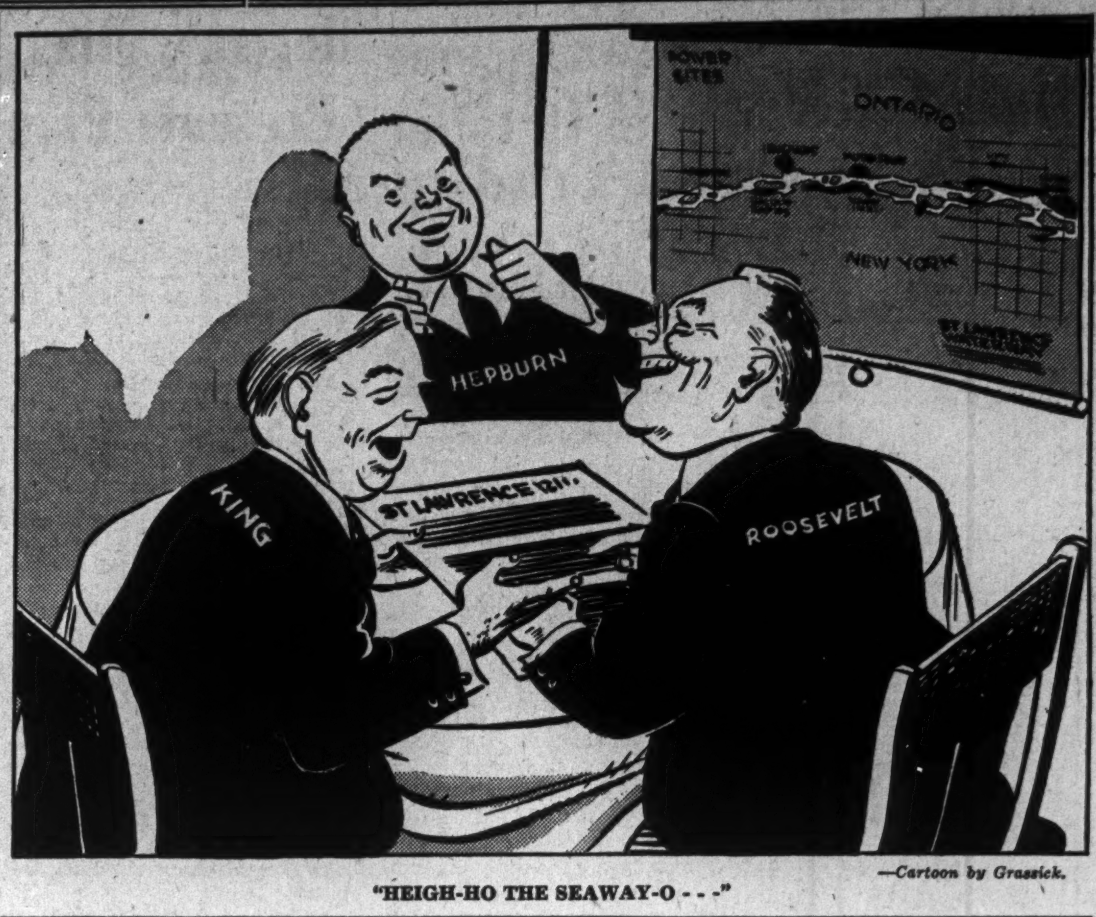
"Behind the imposing facade, Hitler's Germany is a lamentably weak Germany." — *Walter Lippmann.*

• • •

"If religious principles governed all treaty makers there would be no treaty breakers."—*Mme Chiang Kai-Shek.*

• • •

"As they look out from their blatant, panoplied Nazi Germany they cannot find one single friendly eye in the whole circumference of the globe."—*Winston Churchill.*



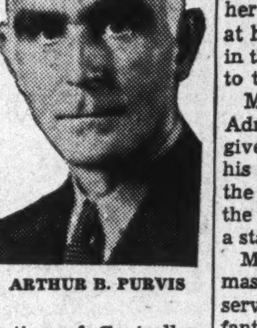
"HEIGH-HO THE SEAWAY-O - - -"

—Cartoon by Grassick.

Post-Scripts . . . . .

Britain's Buyer

Arthur B. Purvis, president and managing director of Canadian Industries Ltd., is not a man that Canada can easily dispense with "for the duration." But he is a man ideally suited to serve the needs of the Mother country in her wartime purchasing programme in the United States.



ARTHUR B. PURVIS

His appointment last week to supervise Britain's war purchasing in the United States under the direction of Controller-General Col. J. H. M. Greenly, C.B.E., is not unexpected. A few days after war was declared in 1914 this 24-year-old "career" man of chemicals was told by his chief Sir Harry McGowan, (then head of the Nobel Dynamite Trust Co.) to go to America. His specific instructions were: "Go quickly; spend three weeks; buy all the acetone in the country and hurry back."

Acetone is the essential ingredient of cordite. Without it the Navy can fight no battles. The supply on hand at that time was little more than sufficient to fight one big naval engagement; restock the ships. There was little in reserve.

Mr. Purvis carried out his instructions. He bought all he could lay his hands on and all that could be made in available plants.

He was ready to start for home when he got a second order to buy powder. He bought his powder and then his health broke down—the result of overwork, and earlier experiences in the tropics. He finished his buying—to the tune of about $25 millions. It was the first munitions purchase by Britain in the United States in the Great War. Then he had to quit work for three years to regain his health. As soon as he recovered the British Ministry of Munitions sent him to Chile to arrange for the erection of a munitions factory there. He went in February, 1918, and did not return until January, 1919.

• • •

By the time he returned to New York, war industries such as the Nobel Trust had to find their way back to peacetime basis once again. In consequence, Mr. Purvis was asked to open a New York office for Nobel. He stayed there until 1924. By this time the great Nobel, Mond and other British chemical and explosive firms had linked themselves into Imperial Chemicals Ltd.; they had joined hands with the huge du Pont enterprises in the U.S.A. Jointly these two great organizations had assumed control of the Canadian enterprise—Canadian Explosives, Ltd. It was to Canada to manage this enterprise that Arthur Purvis was sent just 15 years ago.

• • •

Mr. Purvis's contribution to Canadian industrial and commercial life since 1924 has been increasingly significant. So much so that in 1937 when the Government sought a leading citizen to head its National Employment Commission the choice fell on Mr. Purvis. He has barely got back into harness again since that eventful interlude of public service. Another fine community service is his annual leadership of Montreal's extraordinarily successful Community Chest.

Fortunately, like any first-rate executive genius, he has excellent understudies to fill his shoes. Also he has long had ready-made plans as to how the huge enterprise which he heads in Canada can do its bit in helping the Allies win the war. The blueprint of his wartime organization has been ready and waiting in his drawer for many a month.

Now he is off with the good wishes of all Canadians to draw new blueprints for Britain in erecting an organization which may spend upwards of two or three billions of dollars before the war is won.

• • •

Twenty-five Years Ago

The London correspondent of the Ottawa Journal amused himself recently by tracing back leading figures in the present crisis to their 1914 status.

Mussolini was editing a small Left Wing paper in Milan, and a fervent apostle of Italian neutrality. Hitler was a full Austrian private in a Bavarian infantry regiment.

King George VI was a middy aboard H.M.S. Collingwood in Scapa Flow. Mr. Chamberlain was a Birmingham town councillor and director of a firm manufacturing ships' berthing equipment.

Queen Elizabeth was celebrating her fourteenth birthday with a party at her parents' West End house, and in the evening went as a special treat to the theatre.

Mr. Churchill was First Lord of the Admiralty then as now. He has given us a vivid account of sitting in his Admiralty Office room watching the clock on the mantelpiece tick off the last few minutes to midnight and a state of war with Germany.

M. Daladier, a 30-year-old schoolmaster on holiday, was recalled to serve as a sergeant of the 158th Infantry Regiment.

"L.G" was a minor member of the Asquith Cabinet, and extremely dubious about our joining in.

• • •

Happy Selection

Charles J. Burchell's appointment as Canadian High Commissioner to Australia is a happy selection.

By experience, training and personal qualities he is well fitted for the important post of representing Canada in the sister Dominion.

CHAS. J. BURCHELL

To achieve success or outstanding recognition in Canadian public life, a man needs certain requisites. They are not all essential, but they help.

These requisites are: training as a lawyer, with a dash of business experience; the ability to mix well and make friends; and last, but not least, to be born in the Maritimes. The new High Commissioner possesses all three qualifications.

Born in Sydney, N. S., Charles Burchell started school at "Dal" where he took three degrees: B.A., M.A., LL.B. He is a member of the Nova Scotia Bar and the Quebec Bar. In 1909 was made a King's Counsel for Nova Scotia.

• • •

In his law practice he has been associated in the past with Messrs. Crowe, MacIntyre, Sydney, Maclean and Ralston. His one-time junior partner, Col. J. L. Ralston, is Canada's present Finance Minister.

His law work has been largely devoted to corporate matters, which is evidenced by numerous directorships. He is on the board of such companies as Dominion Steel and Coal Corp., Dominion Coal Co., Moirs Ltd., Halifax Shipyards Ltd., and other enterprises. He is also a member of the Halifax Rotary Club.

• • •

One reason for Mr. Burchell's selection for the High Commissioner's job is his keen interest in international affairs. This has been almost a hobby with him. In 1929 he was chairman of the Committee on Merchant Shipping Legislation at the London Conference on the operation of Dominion Legislation and Merchant Shipping Legislation. The substance of his report is embodied in the Statute of Westminster. He was a member of the Canadian Delegation at the Institute of Pacific Relations' Conference held in Shanghai in 1931 and also at the British Commonwealth Relations Conference held in Toronto two years later. He attended the second conference on Commonwealth relations in Australia last year.

• • •

All these have been important events in the life of Mr. Burchell, but they take a minor place beside his achievement in another field. He is a member of the Halifax Club where they favor the card game of "45." Mr. Burchell considers himself no mean player of "45" and also somewhat of an authority on the game. Accordingly he wrote out the rules of the game and had them published. It is not on record that his fellow card players have ever passed a resolution of thanks to Mr Burchell, for they are the type that take their game of "45" rather seriously and would rather argue their interpretation of the unwritten than the written rules.

In his leisure moments, Mr. Burchell has a liking for the sea, as evidenced by his memberships in the Royal Nova Scotia Yacht and Chester Yacht Squadrons.

• • •

Newfoundland Justice

Newfoundlanders have no doubts as to the ability of B. E. S. Dunfield to carry the responsibility of his recent appointment to the Supreme Court Bench of Newfoundland.

Not only is Mr. Dunfield a legal luminary, but he has a wide knowledge of Newfoundland's industrial and economic affairs. He has keen discernment and ripe experience in law and also in business.

The son of a Newfoundland minister, he was educated at Bishop Field College, St. John's, and at London University. From the latter institution he received his Bachelor of Arts degree with first class honors.

Called to the bar 28 years ago, he spent the first seven years of his professional career as a partner in the law firm of Morris and Dunfield. He was joint editor of Newfoundland Consolidated Statutes and editor of three volumes of Newfoundland Law reports.

After seven years of law, he embarked on a business career, first as a director of the firm of Job Brothers & Co. and afterwards, of Hawes & Co. of London. However, he returned to his first love after a few years and for the past 12 years has been Deputy Minister of Justice.

Through the years he has devoted considerable time to a study of the fisheries, not only in Newfoundland, but in Canada, Norway and United States. He has also lectured in economics at Memorial University College, St. John's.

In recent years he has been associated with the Branch and Cape Shore Development Scheme. This has brought him into immediate contact with the problems, trials and tribulations of Newfoundland's fishermen.

Stop Me If . . . .

"Your son went to Cambridge. Didn't he go in for research work? Has he made any discoveries?" asked the friend.

"Only one as far as I know," said the father grimly. "He discovered what he calls his scientific paradox."

"Really," said the other. "And what does that mean?"

"Just this," was the reply. "He succeeded in demonstrating that debts can be expanded by contracting them!"

In the Mail . .

Poison and Sugar

Editor, The Financial Post:

I wrote to the publishers of Liberty asking them if they could explain their editorial policy. I asked them why they were anti-British in their American edition while calling themselves a Canadian magazine in their Canadian edition.

They replied that the Canadian publication was a separate business enterprise and that the magazine was published and edited in Canada for the Canadian people. They said the American publication had nothing to do with their magazine and that they were not concerned with the type of material the American edition circulated.

In view of your recent editorial comment on the character of their editorial policy and your charge that they publish anti-British articles in the States while telling Canadians to stand up and fight in this war, what have you to say about this reply of theirs?

Were you wrong?

READER.

Ottawa.

Editor's Note. — Our editorial stands. Liberty in the United States lists its chief officials as:

Bernarr MacFadden, publisher.
Fulton Oursler, editor-in-chief.

Liberty in Canada lists its chief officials as:

Bernarr MacFadden, publisher.
Fulton Oursler, editor-in-chief.

Same publisher! Same editor-in-chief! Only apparent difference between the two magazines is that the anti-British poison in the American edition is replaced by sugar for Canadian consumption.

Canada's Opportunity

Editor, The Financial Post:

While any accurate estimate of an optimum population for Canada is problematic, there can be no doubt that considerable increase is essential for further development of our natural resources and greater industrial expansion. Such expansion now would increase our war strength, while later, it will be even more necessary if Canada is not to lose her place as one of the foremost exporting nations.

Some stimulus has been given by the few individuals who have recently been admitted from Europe. There are today 50,000 refugees in Great Britain, 30,000 of whom still seek a country in which to found new homes. Among these are many whose business ability, education and democratic opinions recommend them as very desirable citizens. The end of the war may see a large number of people who will desire or be compelled to leave European countries. It is even conceivable that political considerations may make it difficult to prevent a large influx of unselected immigrants to this country. The question is, whether the future interests of Canada in this respect shall be left to chance or whether careful selection should be planned now, entry to be effected as and when circumstances permit.

Mr. C. L. Burton, in an interview published in your issue of Aug. 12, suggested that an independent commission should be formed to study the possibilities for industrial expansion in Canada and to select in Europe desirable new citizens. Such a commission should be directed by men who have a wide knowledge of Canadian conditions and the ability to see the question from the national point of view.

The suggestion merits immediate attention as it can materialize only with the active support of Canadian businessmen.

If we have the needed vision and the initiative to plan now, we can take advantage of this unparalled opportunity.

CONSTANCE HAYWARD.
Canadian National Committee on Refugees.
Toronto.

Other People's Views . . . . .

A Good Start

Montreal Star

The Hon. Adelard Godbout has made a good start in his selection of a Cabinet. The personnel is one of comparatively young men, some of them without previous ministerial experience; but men of proved capacity; men who know the province and its needs; men who will, we believe, constitute a strong and sane administration.

Quebec would appear to be all set for a sane and progressive administration, provided that the public meet the Premier half way, both by accepting its share of necessary sacrifices and by co-operating with his ministry in the re-establishment of sound business methods.

Thomas Bradshaw

WELLINGTON J. JEFFERS
Toronto Globe and Mail

Thomas Bradshaw, who died in Toronto after one of the most fruitful lives on record in this Dominion, will leave not one but many large gaps behind him. Probably the greatest tribute which can be paid him is that those gaps will be easier to fill because he lived; his example has been an inspiration to many others, and his passion for sound finance and active benevolence was a focus through which the efforts of many Canadians were made more effective than otherwise they might have been.

It is hard to think of a more signal instance of capacity to handle hard jobs being rewarded with harder and harder and bigger and bigger jobs throughout a very busy life. The lad whose first job in the office of the newly formed North American Life brought him $5 a month at the age of 13, always gave his full attention and ability to every job, but found time and energy in spare hours to achieve an exceptionally sound education as well. Elsewhere are given the details of his crowded career, the series of important positions he was called on to fill in insurance companies, civic life, industrial companies, finance companies, and about the calls that were made upon him increasingly with the years to help municipalities iron out their financial and other problems. Even yet, after an absence of nearly two decades from the post of Toronto's Finance Commissioner, his work in establishing a sound foundation for Toronto's credit and finances is referred to with great and increasing respect by those who once worked with him or are building on the foundations he laid.

His capacity for work was tremendous. His day's work—that is, whatever might be considered to come within the range of his official duties—was not enough for him. He was ready and willing to take part in any enterprise for the public good, and thousands upon thousands who benefitted from these activities never knew how much they owed to his financial ability, shrewd common sense, lavish expenditure of his energy without pay, and his constant recruiting of other able men to help in public campaigns.

Several years ago his doctor told him to go slow for awhile. He tried to live by the rules set for him, but I think his old interests were too much for him. He took on more and more important positions and duties, and showed himself always ready to throw himself into the breach whenever some critical problem or situation arose. In fact, he was expected and called on to do so. As a peacemaker he worked out compromises which never were untrue to sound and tried principles.

The late Thomas Bradshaw was never late in his life, I am told. It is a misnomer to call him "the late" now, because if any man lives on in his works and in a continuing influence on others, it is Thomas Bradshaw. He will be honored by all Canadians who hold unstinted and able public service in high esteem, who believe that keeping Canada's credit high should be a point of honor for every good Canadian, and who think that every able businessman should find time to be a voluntary, hard-working and effective public servant as well.

Week in Business

Wheat Crop Circulates Millions of New Money

Revised Estimates Indicate Increase of 30 Million Bushels from Earlier Figure — Buying Power on Prairies Increased $56 Millions

Revised estimates of the Canadian wheat crop place the yield at practically 479 million bushels. This is more than 128 million bushels above last year and practically equal to that of 1927, the second greatest crop on record. Most of the grain, especially in western Canada, is grading very high, which means that there will be little or no loss due to poor grade.

Translated into money at the guaranteed price of 70 cents for top grades, the 1939 crop has been estimated to be worth over $326 millions. This amount of new wealth is being poured into Canadian trade and industry. If as expected the average price for the year should be higher than at present the estimate of the value will have to be increased. On top of this has to be placed the revenue from coarse grains, root crops, and livestock.

* * *

The gain in purchasing power in the three Prairie Provinces alone has been placed at $56 millions. But this was on the earlier crop basis, some 30 million bushels lower than the later figures. Accordingly the $56 millions will have to be revised upward, probably by about $18 millions. Similar figures for other parts of Canada are not available but it is believed the situation is comparable.

This money, distributed through the various trade channels, has already made itself felt and has helped to increase activity of eastern factories. Improvement has been shown in such diverse lines as clothing, batteries and radios. Between orders from their regular customers and the war orders which have come forward so far for such lines as cloth, uniforms, boots and shoes, etc., many industrial concerns are busy.

But the direct influence of the large crop on the carriers, elevator companies and milling companies is equally great. Flour mills are pretty generally running at capacity and are expected to continue so. Export trade comes in fits and starts but has been sufficient to maintain a steady volume of capacity operation.

* * *

While a decline in the grain movement awaiting heavier exports has been evident the last few weeks, carloadings are keeping well above the level of a year ago owing to heavier traffic in almost every other department. In this connection, highly significant are the increases shown in loadings of miscellaneous freight and ordinary merchandise in less than carload lots. Weekly railway earnings are also higher.

War orders are still largely restricted to lighter goods such as clothing, boots and shoes, blankets and similar equipment, but with the announcement of personnel of the British Supply Board in Canada and the United States, placing of orders for heavy munitions is expected daily. In various plants preparations to handle these orders have already been well advanced.

Business Indicators

Current business quieter but still satisfactory with D.B.S. weekly index of business activity down fractionally from previous week.

Carloadings for week ended Nov. 4 higher than year ago. Cumulative for year to date up 3%.

Railway earnings for first week of November higher than last year for both roads. Totals for year to date up 9% for C.N.R., 4% for C.P.R.

Flour exports in October below 1938, total for 10 months up 26%.

Rubber imports up sharply in September.

Livestock sales in October well above year ago. Totals for 10 months up 6% for cattle, 4% for hogs.

Newsprint production up substantially for October and first 10 months.

Coal production in September above last year.

Shoe production higher in September and for nine months.

Cotton imports in September above last year.

Trend of business shown by The Financial Post Business Index and following key factors, new items for the week being marked thus ▲.

	Nov. 4	Oct. 28	Oct. 21	Oct. 14	Nov. 5/38
Commodity prices	79.0	79.0	79.0	78.0	73.6
Weekly index	104.6	105.5	105.1	105.1	108.2
	Sept.	Aug.	July	June	Year Ago
Financial Post index	*122.6	121.0	119.8	118.8	112.6
Retail index no. of sales	87.4	81.8	83.7	85.0	80.8
Dept. store "	86.00	73.1	77.3	72.1	76.8
Wholesale "	141.7	102.6	92.1	99.3	106.7
Country (% change fr. last yr.)	+12.1	—2.2	—6.2	—7.7	—3.9
Employment D.B.S. Index—	Oct. 1	Sept. 1	Aug. 1	July 1	Year Ago
All industries	121.7	119.6	117.5	115.8	116.7
Manufacturing	118.7	115.3	112.8	111.3	112.5
Wage earners No. (000)	....	....	2,461	2,419	2,378
Living costs	....	$17.02	$17.02	$16.93	$17.41
			Jan. 1 to date		%
Railways—	1939	1938	1939	1938	Change
Carloadings, week (Nov. 4)	▲58,068	54,040	2,139,482	2,079,120	+2.9
C.N.R. gross, week (Nov. 7) $	▲4,716,026	4,011,965	168,905,118	154,284,352	+9.4
C.P.R. gross, week (Nov. 7) $	▲3,603,000	3,263,000	125,714,000	120,540,000	+4.2
C.P.R. net revenue (Sept.) $	5,821,955	3,651,406	12,705,400	7,330,793	+73.3
C.N.R. net revenue (Sept.) $	6,304,642	2,661,439	6,652,354	•2,455,254	....
Iron and Steel (Sept.)—					
Pig iron production (tons)	65,954	49,073	487,982	554,845	—12.0
Steel ingots and castings prod. (tons)	134,384	73,556	937,693	911,005	+2.9
Automobiles (Number)—					
Passenger Cars:					
Domestic sales* (Sept.)	4,947	3,831	68,821	75,434	—8.8
Factory output (Sept.)	3,494	4,290	79,642	88,728	—10.2
Trucks and Buses:					
Domestic sales* (Sept.)	1,808	1,079	19,847	22,120	—10.3
Factory output (Sept.)	427	1,709	30,644	34,978	—12.4
Exports (Sept.)	1,927	3,460	47,708	47,103	+1.2
Financing (Sept.):					
Used $	2,309,013	2,660,351	27,307,577	29,344,708	—6.9
New $	1,791,655	2,228,910	21,914,597	27,676,002	—20.8
Construction—					
Contracts awarded (Oct.) $	14,228,100	18,111,000	165,010,000	161,873,700	+2.1
Cement, bbls. (Aug.)	▲841,736	713,315	3,573,338	3,531,372	+1.2
Agriculture—					
Flour prod., bbls. (Sept.)	1,927,102	1,639,231	11,237,113	9,182,119	+22.8
Flour exp., bbls. (Oct.)	▲444,144	528,601	3,866,648	3,066,926	+26.0
Wheat exp., bush. (Oct.)	▲16,846,847	24,579,370	107,856,939	76,482,261	+41.0
Cattle sales (Oct.)	▲125,141	93,902	677,987	638,279	+6.2
Hog sales (Oct.)	▲118,484	63,589	594,808	569,220	+4.4
Sea Fisheries: (September)‡					
Catch, cwts.	903,900	1,492,500	7,459,020	7,121,710	+4.7
Landed value $	1,887,500	2,535,300	13,779,480	14,631,510	—5.8
Newsprint (tons)—					
Production (Oct.)	▲289,985	254,872	2,339,884	2,169,532	+7.8
Exports (Sept.)	328,162	195,366	1,878,939	1,719,318	+9.2
Mining and Oils—					
Coal prod., tons (Sept.)	▲1,344,972	1,117,260	10,455,919	9,887,283	+5.7
Coal imports, tons (Sept.)	▲1,744,468	1,550,285	8,829,683	9,481,004	—6.8
Gold prod., fine oz. (Aug.)	449,207	416,317	3,381,717	3,056,072	+10.6
Nickel prod., lb. (Aug.)	20,123,078	16,573,105	150,085,845	143,157,462	+4.8
Copper prod., lb. (Aug.)	54,039,671	47,917,545	400,711,718	380,090,805	+5.4
Crude oil prod., bbls. (Aug.)	795,844	825,546	5,066,251	4,446,837	+13.8
Crude oil, imp., bbls. (Sept.)	▲3,752,700	5,264,900	26,654,657	26,559,508	+0.3
Electric Power Output (Sept.)—					
Total monthly m.k.w.†	2,379,811	2,168,435	20,620,226	18,950,487	+8.8
Foreign Trade—♦					
Imports (September) $	73,564,271	56,411,727	515,331,719	505,952,759	+1.8
Exports (September) $	82,456,583	73,100,154	644,040,089	602,736,537	+6.8
Other Industrial Factors—					
Dressed lumber exp.:					
M. bd. ft. (Sept.)	216,480	139,448	1,579,886	1,208,655	+30.7
Shoes, prod., pr. (Sept.)	▲2,368,374	2,069,929	17,905,207	16,821,756	+6.4
Cotton imports, lb. (Sept.)	▲7,188,000	6,101,000	75,751,000	86,060,000	—11.9
Raw rubber imp., lb. (Sept.)	▲5,582,000	3,147,000	47,848,678	38,612,371	+23.9
Cigarette cons. (Sept.) No.†	584,758	624,562	5,274,646	5,163,922	+2.1
Sugar manufactured, lb.§	101,604,569	96,562,848	662,803,108	663,679,817	—0.1
Finance—					
Bank debits (Sept.)† $	2,831,651	2,654,613	22,731,224	22,077,381	+2.9
Bond sales (Sept.)† $	50,646	54,997	1,032,154	832,642	+23.8
Life insurance (Sept.) $	37,117,000	27,928,000	290,462,000	280,841,000	+3.4

*D.B.S. All Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For four weeks to Oct. 7, 1939. •Deficit.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. *Final ♦Gold excluded.

The Investment Problem

We invite enquiries regarding current opportunities for investment in Canadian Government, Municipal, Public Utility and Industrial Bonds and Debentures.

Lists and information furnished on request.

Royal Securities Corporation
Limited
244 St. James Street
Montreal
330 Bay Street
Toronto 2
Halifax, Saint John, Quebec, Ottawa, Winnipeg, Calgary, Vancouver, Charlottetown, Hamilton, St. John's, Nfld.

Ottawa Income Up in October

$9.3 Millions of War Appropriation Used Last Month

Present indications are that revenues of the Dominion Government in the current fiscal year will exceed revised budget estimates.

Revenue in October was $5.3 millions higher than in the same month last year. This is the second consecutive month that receipts have advanced over last year, the increase in September being $4.5 millions. The increase in revenue is a reflection of the rising tempo of business activity and the increased war taxes.

In the seven-month period ended Oct. 31, revenues were down $8.6 millions from the same period last year. However this should be offset by revenue increases in the remaining five months of the fiscal year. The revised budget brought down in September estimated revenues this year would be $6 millions lower than in 1938-39.

Receipts of customs duties, excise duties and sales, income and excise taxes all recorded increases in October.

Expenditures Increase

As might be expected, especially in view of the war appropriation, expenditures are running ahead of last year. Total disbursements in October were up $4.3 millions, making an increase for the seven-month period of $23.2 millions.

Ordinary expenditures were down $5.2 millions in October. This, however, is not due to economy. It is accounted for by the transfer of expenses of the department of national defense to the classification of "special expenditure" under the heading of "war appropriation" and by lower interest charges.

War Has Cost $13 Millions

Disbursements from the war appropriation in October totalled $9.3 millions, bringing the total to date to $13.1 millions.

Total defense expenditures this year to date on ordinary, capital and special account amount to $31.6 millions.

Relief costs were down $400,000 in October to $5 millions. Unemployment relief costs for the seven months ended Oct. 31 at $23 millions are $4 millions higher. This is due to an expenditure of $15 millions on relief works as against $6.8 millions in the same period last year.

Receipts and Disbursements

	—October—		
Receipts:	1939	1938	Change
	—000's of $—		
Customs duties	10,625	8,008	+2,617
Excise duties	5,768	4,469	+1,299
Excise, sales tax	15,110	14,846	+264
Income tax	4,350	2,959	+1,391
Post office	2,401	2,401	nil
Sundry	1,628	1,813	—185
Special	7	....	+7
Total	39,889	34,497	+5,392
Disbursements:			
Ordinary	39,002	44,246	—5,244
Capital	583	748	—165
Relief	4,973	5,484	—511
War appropriat'n	9,301	....	+9,301
Govt. enterprises	295	27	+268
Other charges	676	....	+676
Total	54,830	50,505	+4,325

Seven Months Ended Oct. 31

Receipts:			
Customs duty	54,262	48,655	+5,607
Excise duty	35,438	31,484	+3,954
Excise, sales tax	82,404	92,514	—10,110
Income tax	111,265	120,292	—9,027
Post office	18,725	18,057	+668
Sundry	11,061	10,472	+589
Special	63	400	—337
Total	313,218	321,874	—8,656
Disbursements:			
Ordinary	218,899	220,952	—2,053
Capital	9,662	2,813	+6,849
Relief	23,006	18,990	+4,016
War appropriat'n	13,165	.....	+13,165
C.N.R. deficit	41,250	41,964	—714
Govt. enterprises	929	1,145	—216
Other charges	2,487	322	+2,165
Total	309,398	286,186	+23,212

Stop Shipping Shingles To U.S.

Canadian Quota is Now Filled For Balance of Year

From Our Own Correspondent

VANCOUVER. — Ninety-five per cent of British Columbia's shingle mills have voluntarily decided to cease shipments to the United States from Nov. 11 to Jan. 1, it was announced by G. S. Raphael, secretary-manager of the Consolidated Red Cedar Shingle Association.

It is estimated that by Nov. 11 the quota granted in the Canada-United States Trade Agreement will be slightly overshipped.

"The operators hope that none of their United States customers will be seriously inconvenienced," said Mr. Raphael, who added that many mills were curtailing production as well as holding back shipments.

"Otherwise shingles would become a tariff item and excess shipments would incur an ad valorem tariff levied by the United States Government."

Atlantic Sugar Plant Back to Normal Basis

From Our Own Correspondent

MONTREAL.—Operations at the Saint John refinery of Atlantic Sugar Refineries Ltd., are along normal lines. When the war broke out there was a sharp demand for sugar which combined at the same time with some interruption in the arrival of raw materials, resulted in the plant operating under high pressure. This has now subsided and a normal production of four to five million pounds of sugar a week has been reached. If war or other conditions made it necessary, production could be speeded to double this amount.

Macdonald Tobacco Acts Independently on Combine

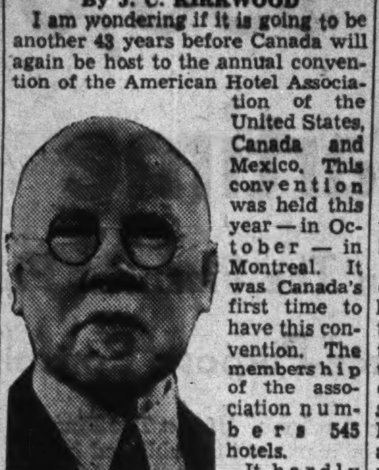
Counsel for the Macdonald Tobacco Co., George H. Steer, K.C., states that this company is not associated with the application in the Supreme Court at Edmonton for dismissal of the charges against 44 companies and jobbers of conspiracy to form a combine. L. A. Forsyth, K.C., appeared for some of the tobacco companies and made the application for dismissal on which judgment was reserved by Mr. Justice A. F Ewing.

In The Financial Post issue of Nov. 11 it was erroneously reported that Mr. Forsyth had acted on behalf of all defense counsel.

Keeping Posted

By J. C. KIRKWOOD

I am wondering if it is going to be another 43 years before Canada will again be host to the annual convention of the American Hotel Association of the United States, Canada and Mexico. This convention was held this year — in October — in Montreal. It was Canada's first time to have this convention. The membership of the association numbers 545 hotels.



JOHN C. KIRKWOOD

It hardly needs to be pointed out that all travellers who use hotel facilities and services are beneficiaries of these conventions of the A. H. A. Hotel services and comforts and amenities have been enormously improved as a consequence of the annual gatherings.

In reading about this year's convention in Canadian Hotel Review I was caught by a reference to the research work carried on by hotelmen. One speaker explained that the researches have made possible many savings to hotel managements, and that their range covers all the distance from chemical research as applied to cleaning compounds, waxes and polishes, to management problems, including hotel decoration.

Canada has its own separate hotel association, which in these present wartimes will do its utmost to attract to Canada those travellers who ordinarily go abroad. Tourism, as it is called, on this continent should increase considerably, not alone because of the upset conditions in Britain and Europe, but also because of the stimulated business conditions on the North American continent.

* * *

Will Pay More

Women who wear hose—and what woman does not?—are plastic, behaviourly speaking. My authority for this statement is The Stylewear Buyer. The latest issue of this publication contains an article addressed to saleswomen and to their employers. The article urges sales persons to sell a better style and quality rather than to put emphasis on the figures on the price tag. The article says that the price which a customer will pay for a pair of stockings depends on how effectively the salesgirl explains the relation of value to price. The salesgirl is urged to flatter the customer by showing her a higher quality style rather than to infer that she can't pay more. "You'll find," it is said, "that she'll buy better quality stockings if you put it in her head to do so."

Once more I suggest that articles of this sort should be made into leaflets—by manufacturers—and that these leaflets should be given to retailers for distribution by them to their sales persons. The ineptitude of many salespersons—for lack of sales education—nullifies to a very large extent much of the costly advertising appearing in newspapers and magazines.

* * *

What To Do With Daughters

It is possible that some fond father is being disturbed by his daughter's desire to perform some sort of war service. She may want to drive an ambulance or lorry, by way of example; or be a nurse. It might help troubled parents—perhaps also their daughter—if they read the article in the November issue of Chatelaine by Lotta Dempsey—an article with title, "What Can We Do Now?" Chatelaine went to many authorities to find answers to this wartime question, and these authorities are named.

* * *

Charcoal in Paint

Nature can teach scientists. Today the scientific men connected with the paint industry—so I read in Canadian Paint and Varnish Magazine—are preserving wood by the oldest method known to man—by charring it. Perhaps the charring method is not precisely "natural," but it is not far from it. The modern way of using the charring method is to grind hardwood charcoal to an impalpable powder, mix it with a paint vehicle, and then apply it with brush or spray to wood, concrete, brick, tile, paper roofing, canvas, metal, etc. Used as a primer for other paints, or as a complete two-coat finish, this charcoal paint is said to be resistant to fire, common acids, moisture, fungi, salt and termites. Rather amusing, is it not?—making charcoal baffle fire! It is something like giving a man a fever to cure a worse ailment. It's a form of homeopathy.

W. J. Cameron Commends Basic Business Principles

General attitude of the people of the United States toward business had changed, W. J. Cameron of the Ford Motor Co., declared in an address before the Empire Club of Toronto recently. He believed they had come to realize, that business, which had been on the pillory for a long time, was not the business of businessmen but their own business, their employment, their economic security.

"They began to sense that what could be done to one, could be done to all," he stated, "that any programme of soaking the rich was a prelude to soaking the poor; that it had to go down the line once started. They saw the punitive confiscatory taxes levied on business came eventually from the people and not from the treasury of the corporations; that taxes cannot always be passed on, that American corporations were absorbing 65% to 70% of the additional taxes laid upon them and that that couldn't go on forever and presently taxes were not paid in money but in jobs."

In recent years, he continued, the percentage of the national income available for expansion and growth had shrunk very substantially owing to increased taxation.

He commented:

"This meant a curtailment of jobs throughout the whole country. Confiscatory taxation is plain robbery. It puts men out of work, not depleting treasuries but simply creating an anemia in the blood of business. People began to see that the free processes of production and distribution are really national life."

Change in the popular attitude, he said, had been helped by consideration of the work done by the business dollar passing through the processes of production and distribution, touching trade after trade, business after business, family after family, multiplying itself 20 times "To stop its multiplication and circulation," Mr. Cameron said, "is simply to create economic anemia."

New Deal Unworkable

False political and economic philosophy had generally been repudiated, he felt, because it had been in collision with natural law. Politicians had failed to make the New Deal work because it was unworkable. Wrong things can't go right and right things will always go above the wrong, he added.

Government paternalism he compared with giving a healthy boy his grandfather's crutches. No statesman, however, had yet arisen in the United States to declare the truths that production was the only cure for unemployment, production and distribution the only cure for poverty, and that "the only source of social security is every man in his own job, in his own home, standing on his own feet, and raising his own family in the way in which our civilization began."

Resentment that the New Deal had failed was accompanied, said Mr. Cameron, by a new reasonableness and a realization that economic safety for the nation depends on the people being self-reliant and not dependent on non-existent supermen to act as leaders.

Your Right-of-Way to Canada's Market . . .

69%

Canada's Weekly Newspapers are an essential link in every marketing and merchandising chain. The most thoroughly read publications in the smaller communities, they give you friendly access to two-thirds of the country's consumers. They are your right-of-way direct to the people who do 69% of the nation's retail buying.

For it is in the towns and villages of Canada, where local interests top all others, that the Weekly Newspapers top all others in reader interest. They are, as it were, the "community centre," an influential force in the lives of the 7,750,000 people who regard their Weekly as "our paper."

By using the Weeklies you reach consumers under the friendliest, most sales-making auspices. And you reach dealers, too, secure their co-operation by giving them advertising support they can see and by which they can profit.

Consumer goodwill and dealer goodwill are a sure-fire result of advertising in Canada's Weekly Newspapers.

C. V. CHARTERS
Managing Director
BRAMPTON, Ont.

CANADIAN WEEKLY NEWSPAPERS ASSOCIATION

I.H.E. System Income Rises

Sharp Increase in Reserves Overshadows Higher Earnings

From Our Own Correspondent

MONTREAL. — International Hydro-Electric System's consolidated profit and loss statement for the three months ended September 30, 1929, shows a relatively sharp increase in gross and net revenue.

For the past quarter the System had a gross income of $16.8 millions, as against $15.6 millions for the like period a year ago. Net loss, after all senior charges, was $18,320, as against $336,979 a year ago.

Step-Up Depreciation

Examination of the statement shows that the System would have operated at a profit of over $300,000 in the past three months had the depreciation charge been the same as a year ago. For the quarter ended September 30, 1939, $1,767,744 was set aside for depreciation, as against $1,237,351 in the third quarter of 1938.

Comparative figures on the profit and loss statement follow:

Consol. Profit and Loss Account
Quarter Ended Sept. 30

	1939 $	1938 $
Operating revenue	16,085,277	14,917,810
Other income—net	722,472	713,622
Total revenue	16,807,749	15,631,432
Less expenses:		
Operating	5,993,049	*5,234,440
Maintenance	887,445	*1,026,224
Taxes (other than income)	2,166,529	2,090,931
Net oper. revenue	7,760,725	7,279,837
Deductions:		
Int. on funded & other debt of subs.	2,523,952	2,867,789
Int. on debentures	398,520	398,520
Amort. debt disct. & exps.	204,231	247,254
Depreciation	1,767,745	1,237,352
Income taxes	620,258	546,580
Divds. paid stocks of subsids.	2,084,894	1,705,667
Divds. not paid pref. stocks of subsids.	72,152	403,614
Minority interest	264,326	204,362
Other chgs. of subs.	5,968	5,679
Net loss	181,320	336,979

*Includes $268,713 from hurricane and flood damages in Sept., 1938.

British Firms Order Newfoundland Codfish

British firms have placed an order for about three million pounds of Newfoundland codfish for delivery during the winter months.

The order is being handled by Job Bros. & Co., Harvey & Co., and the Monroe Export Co., St. John's, which are pooling their resources in order to expedite shipment.

Job Bros. & Co. recently shipped 50,000 lb. of codfish fillets to Chicago.

TRENDS IN THE FIELD OF INVESTMENT

Facilities for studying the frequent changes in the field of investment and the status of securities are available to this organization through its branches: These facilities are at the disposal of our clients at any of our offices.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

McLEOD, YOUNG, WEIR & Co.
LIMITED
INVESTMENT SECURITIES

TORONTO
Metropolitan Building

OTTAWA
Ottawa Electric Building
MONTREAL
231 St. James Street

LONDON
Richmond Building
HAMILTON
Spectator Building

Correspondents in New York and London, Eng.

Support Your Credit Manager
WITH ADEQUATE TOOLS
As no single factor in your business dissipates profits as rapidly as bad debts.
Dun & Bradstreet of Canada, Limited

This Man Brings
Financial Security to Millions

He has given new peace-of-mind . . . new freedom from future money worries . . . to 4 Million Canadians

HERE is a man who has helped a million Canadian families — by showing them the safe, sure way to financial security.

His sound advice has enabled thousands of men and women to face the future with new confidence and peace-of-mind.

Throughout Canada he has proved a valued friend to people in times of greatest need. Because his recommendations were adopted, widows and fatherless have been supported — children have been educated — and the aged have been made independent. He has thereby helped to establish and maintain national security.

He is your Life Insurance man.

LIFE INSURANCE
Guardian of Canadian Homes for Over 100 Years

L-11W

Investments

Those desiring to invest for safety, marketability, diversification and income would do well to consider readjusting their holdings at this time.

To take advantage of present-day conditions and changing from unpromising stocks to promising dividend payers is recommended.

Our Advisory Service Department will study your list and suggest changes, where advisable, with the object of strengthening your holdings and increasing income.

MARA & McCARTHY
Members Toronto Stock Exchange
320 Bay Street Toronto

What Investments Should Be Made Now?
Bonds, Preferred or Common Stocks?

Communicate for suggestions with
Charles H. Burgess & Co.
MEMBERS TORONTO STOCK EXCHANGE
255 Bay St. ELgin 8471 Toronto

Avern Pardoe & Co.
Members Toronto Stock Exchange
Over a quarter of a century's experience in Canadian Investments. We invite your inquiries.
AVERN PARDOE - F. F. WILSON
38 King Street West
Toronto
ELgin 4256

J. Lawrence Goad Stewart R. Jarvis
J. L. Goad & Co.
MEMBERS
THE TORONTO STOCK EXCHANGE
STOCKS BONDS
INVESTMENT SECURITIES
TELEPHONE ELGIN 3481
Dominion Bank Building Toronto

OSLER & HAMMOND
STOCK BROKERS AND FINANCIAL AGENTS
Members { *The Toronto Stock Exchange* / *Montreal Stock Exchange*
21 Jordan Street - - - Toronto
ELgin 1335
Wire connections with New York, Montreal and Winnipeg

PORTFOLIO MANAGEMENT
on a fee basis
Particulars on Request
JONES HEWARD & CO.
Members:
Montreal Stock Exchange - Montreal Curb Market
Partners:
Newbold Jones Richard Angus Edward Aikman
Brian Heward Sydney Scobell George Garneau
249 St. James Street West Montreal

McLeod, Young & Scott
Members
The Toronto Stock Exchange
Metropolitan Building
Corner Adelaide and Victoria Streets, Toronto
Telephone ADelaide 4081

WAR TIME
INVESTMENTS

In periods of uncertainty your investments require constant supervision to prevent capital loss and ensure a fair return with possibilities of appreciation.

We shall be glad to offer our Recommendations

R. N. BRYSON & CO.
254 Bay Street WAverley 1688

Investing $50,000 in Wartime

First Prize Article in The Financial Post Contest Features Three-Purpose Portfolio

The article that won the first prize of $100 in The Financial Post's contest "Investing in Wartime" is published here. The entry that won second prize will appear next week.

S. C. Scobell, author of the prize-winning entry, is a partner in the Montreal stock exchange firm of Jones, Heward & Co.

This contest was arranged as an opportunity for students of investment questions to present their views to the investing public. This made it necessary, in judging entries, to give greatest weight to the presentation of arguments in support of the portfolio and programme of investment. To do otherwise would have placed the judges in the position of selecting the best available investments. The most interesting and convincing articles won the awards and it is the views presented by these contestants that are being published and not the views either of the judges or The Financial Post.

The Financial Post wishes to thank all those submitting entries in the contest for the interest and obviously sincere and painstaking efforts that were shown.

By S. C. SCOBELL

We entertain no illusions regarding our ability as an economic prophet. In fact, with a few uncanny exceptions, the records of most business forecasters are best left unconsulted. Forecasting is still an irritatingly inexact science. And so is investment.

Nevertheless, when one is faced with an investment problem it is vital to give intelligent deliberation to possible developments. But the realities of the moment can not be ignored. For instance, a businessman has $50,000 to invest. His business income is ample for his needs. In investing his money he must consider the world of tomorrow when peace and international collaboration may prevail. Immediately, however, he faces the stark reality of war and of destruction.

The Philosophic Approach

Before securities or prices can be considered, a definite policy should be woven from one's investment philosophy. Personally, we prefer a philosophic approach rather than a "prophetic" attack. If we could foresee the future and "time" developments with any degree of accuracy an entirely different approach would be warranted. But with present facilities, we do not believe any businessman should wager $50,000 solely on the basis of our, or our neighbor's, prophecies.

At the same time, an investment portfolio and policy must, of necessity, be tinged with the concrete expectations of the counsellor. Primarily, therefore, the problem is how to devise for this businessman an investment programme which will reflect our basic opinions without jeopardizing the portfolio in the event of miscalculations. From this it follows that certain checks should be introduced; contingencies should be provided for; and speculative hazards should be reduced to a consistent proportion.

Must Discount Present

Too much attention should not be given to immediate consequences. Obviously, the security markets are already discounting newspaper headlines and our daily hopes and fears. For instance, if an investment list had been drawn up five years ago (October, 1934) it is possible that popular pressure would have been exerted on the counsellor to shun the pulp and paper group (Fraser Voting Trust was then selling at $2 a share.)

Similarly, ten years ago (October, 1929) the inherent requirements of the investor might well have been translated into the wrong terms by the events of that fateful month. For all stocks looked cheap after the first catastrophic break when Whitney bravely bid 205 for 25,000 shares of U. S. Steel in New York and few authorities believed that lower prices could possibly prevail.

Popular Delusions

Today it's war. Yet hostilities may cease with dramatic suddenness. In any event, it is difficult to judge the probable extent of the demand for material and supplies. Equally hazardous is an attempt to accurately evaluate the non-recurring and illusive profits of war. As a result, we are suggesting that stocks of sound companies with a good record of growth be chosen in preference to those which might be unduly stimulated by transient profits. Even if government control, an excess profits tax, a post-war capital levy, and blocked currencies leave "war" companies with a reasonable proportion of their earnings available for dividends, most investors will probably eventually lose money in such issues.

Tolerance prevents reference to the purely war stocks of 1914-1918 even though a few adapted themselves to the armed truce of 1919-1939.

Definitely Inflationary

At the moment, the environment is definitely inflationary. But this does not necessarily imply that the generally-expected advance in the price level, and interest rates, will materialize. So far, the rise in prices in more than one direction has not altogether accurately reflected existing positions. Granted, we have been experiencing an abnormally low level of prices for most raw materials, but the explanations of the recent gains have yet to be confirmed. In addition, most governments will exert every effort to forestall increases in prices and money rates. And such outstanding economists as Professor Alvin Hansen of Harvard University see the possibility that the belligerent nations may succeed in preventing, or at least in modifying, such an advance.

In August, the securities of International Nickel, Consolidated Smelters, and Aluminium Limited, might well have been selected as three interesting war stocks. Yet, in mid-October, the anticipated effects of various government controls had prevented these issues from mirroring the improvement in general business. Similar control in other directions must be expected. Therefore, we counsel against stressing the widely accepted results of war, or inflation, on general investment policy.

Three Funds

Basically, we believe that the kernel of a portfolio for a businessman should embrace a cross-section of the better Canadian equities. To add stability and liquidity we would include a group of high grade bonds, chosen with particular attention to their maturities. Finally, to add "bounce" to the list we would include a group of "growth" and lower grade cyclical securities, especially as the bond fund will provide a high degree of protection and liquidity.

This simple allocation of the $50,000 into three distinct funds may appear an academic solution of the problem, but a few refinements are possible which could provide satisfactory returns over a number of years even if continuous supervision and management are beyond the ready reach of the investor. Making the transition from a theoretical discussion to the icy reality of actually investing $50,000, we shall divide the money into three more or less equal funds which we shall designate as:-

1. **The Defensive or Liquid Fund;**
2. **The Basic Fund;**
3. **The Aggressive Fund.**

The Basic Fund is placed in the centre. The other two should provide the necessary balance, with a shifting of weight from the Aggressive Fund to the Defensive Fund under certain conditions. For the time being, however, an equal allocation of money will be made to the three funds. It is recommended that it be employed as follows:

The Defensive Fund

The requirements of the Defensive Fund are to provide a measure of protection and liquidity for the portfolio without an unreasonable loss of income. A yield of say 3% would seem satisfactory.

As protection is the primary objective of this proportion of the total portfolio, the logical selection is high-grade bonds. As liquidity is also imperative, short maturities are preferable. But as a reasonable return is desirable, there should not be undue representation in the shorter maturities.

With these requirements in mind, we suggest that approximately $16,000 be invested in eight issues. The maturities should be evenly spread over an eight year period, 1941-1948, so that $2,000 will mature each year. This distribution not only will give maximum protection against a decline in the bond market, but it will provide a small amount of cash annually (about 4% of the total portfolio) which might be used to slightly reshape the account so that it may better reflect changing conditions.

If the bond market declines over the coming years, our bond fund should give a progressively higher income, as we would usually suggest that a similar distribution of maturities in the fund be maintained. In other words, when the first year maturity is redeemed, a bond with an eight year maturity should be substituted. Even with a rising bond market this longer term bond should give a higher yield than the redeemed issue, yet the investor's position, as far as maturities are concerned, remains theoretically unchanged. He will still have $2,000 in cash available each year.

The Basic Fund

As far as possible, the Basic Fund should represent the backbone of the portfolio. Securities in the Aggressive Fund might be sold without undue persuasion and the money transferred to the Defensive Fund. but securities in the Basic Fund should only be liquidated when the holder is strongly convinced that the outlook is definitely unfavorable.

The selection of individual issues has been based, therefore, on their inherent possibilities. In certain cases the immediate prospects have been purposely ignored. This is to be a true Basic Fund, representative of Canadian industry. Short term fluctuations are of little consequence, and the inclusion of even temporarily overvalued and countercycle stocks is necessary if true balance and diversification are to be achieved. Otherwise, constant shifting would be imperative, and we are assuming that our businessman prefers not to emulate the grasshopper.

In order to effect wide-scale representation, many securities have been selected. This will undoubtedly make for greater stability. Speculative hazards may also be minimized by such wide representation. It is on this principle that we justify what might otherwise be regarded as an unwieldy list, especially when consideration is given to the composition of the Aggressive Fund.

The Aggressive Fund

With one-third of the total portfolio invested in short-to-medium-term bonds, and another third in the best Canadian equities, there remains the final third of the portfolio available for the purchase of aggressive securities. This should not be regarded as a "Foolishness Fund." Selections should be made as carefully as for the Basic Fund but greater imagination is permissible. The future potentialities of each issue should be stressed. Purchases should be made with the intention of holding for an extended period, but the necessity of watching for impending storms should not be entirely disregarded.

Once again, safety is sought in numbers. Sixteen securities are listed but they have been so distributed that general, rather than detailed, attention should be sufficient. At the risk of complicating the picture, we are dividing the Aggressive Fund into three subsections:

A. Growth Stocks.
B. Cyclical Speculations.
C. Primary Producers.

The first yardstick should be the potentiality for long-term growth. Seasoned securities of this "growth" type are included of course in our Basic Fund, but we must now search for the lesser investment issues. The year 1938 was not a particularly prosperous period, so if we can find

(Continued on next page)

STOCKS BONDS LISTED AND UNLISTED MINING INDUSTRIAL
Inquiries Invited
HAMBLY, PEAKER & TRENT
Members
THE TORONTO STOCK EXCHANGE
615 DOMINION BANK BUILDING
TORONTO
ELgin 3293

WISE INVESTMENTS
Are based on dependable information
Our statistical department is fully equipped to give reliable and unprejudiced information on any security without obligation.
Write for our Investment Recommendations
SEAGRAM, HARRIS AND BRICKER
34 Adelaide St. W., Toronto . . . . Telephone AD. 9041
STOCKS AND BONDS
MEMBERS:
The Toronto Stock Exchange
Canadian Commodity Exchange
TORONTO - KITCHENER - GALT - GUELPH

INVESTMENT SECURITIES
F. H. DEACON & CO.
MEMBERS TORONTO STOCK EXCHANGE
197 BAY STREET PHONE ELGIN 3401
F. H. DEACON F. COULTER DEACON H. L. EDMONDS JOHN S. DEACON

THE TORONTO STOCK EXCHANGE

Member Firms of
THE TORONTO STOCK EXCHANGE

Firm	Address	Telephone
AIRD, MACLEOD & CO.	Royal Bank Bldg.	AD. 9481
AMES, A. E. & CO.	Canada Perm. Bldg.	WA. 3611
AMOS, CHRISTIE & CO.	38 King St. W.	EL. 3106
ANGUS & CO.	14 King St. E.	AD. 9212
BAIN, H. R. & CO.	304 Bay St.	AD. 4271
BARBER, JOHN R.	Georgetown, Ont.	Box 44
BARRETT, SEGUIN & CO.	330 Bay St.	WA. 7631
BIGGAR & CRAWFORD	10 King St. E.	AD. 4361
BLAIKIE, GEO. W. & CO.	15 King St. W.	EL. 1403
BONGARD & CO.	80 King St. W.	EL. 5381
BRIDGER, HEVENOR & CO.	60 King St. W.	WA. 3461
BUCHANAN, SEAGRAM & CO.	11 Jordan St.	EL. 3432
BURGESS, CHARLES H. & CO.	Tor. Gen. Trusts Bldg.	EL. 8471
BURKE, DANSEREAU & CO. REG'D.	222 Notre Dame St. W., Montreal	PL. 2281
BURNS BROS. & CO.	244 Bay St.	AD. 9371
CAMERON, A. G. B.	c/o 88 Crescent Road	MI. 7631
CANNON, J. P. & CO.	Atlas Bldg.	AD. 2292
CASSELS, SON & CO.	16 Jordan St.	EL. 2292
CHISHOLM, HECTOR M. & CO.	80 Richmond St. W.	EL. 5463
COCHRAN, MURRAY & HAY	Dom. Bank Bldg.	AD. 9161
COLLING & COLLING	25 Richmond St. W.	WA. 4831
COULTER, C. I.	45 Baby Point Cres.	LY. 6162
CRANG, J. H. & CO.	304 Bay St.	AD. 8611
CRAWFORD, F. J. & CO.	11 Jordan St.	EL. 2201
DEACON, F. H. & CO.	197 Bay St.	EL. 3401
DICKSON, JOLLIFFE & CO.	80 King St. W.	AD. 7451
DOBIE, DRAPER & CO.	330 Bay St.	AD. 9171
DOHERTY ROADHOUSE & CO.	293 Bay St.	WA. 7411
DUNCANSON, WHITE & CO.	15 King St. W.	WA. 3401
EASTWOOD, J. T.	11 Jordan St.	EL. 0861
EVANS, JENKIN	611 Sterling Tower	AD. 9810
FERGUSSON G. TOWER & CO.	11 Jordan St.	AD. 7081
FIELDS, C. C. & CO.	200 Bay St.	WA. 4731
FRAME, JOHN & CO.	25 King St. W.	EL. 5161
FRANCIS, JAY L. & CO.	347 Bay St.	AD. 3141
FRASER, DINGMAN & CO.	217 Bay St.	EL. 3125
GAMBLE, R. C. & CO.	244 Bay St.	WA. 1091
GARDINER, WARDROP & CO.	226 Bay St.	WA. 7641
GENTLES, C. A. & CO.	347 Bay St.	AD. 4012
GOAD, J. L. & CO.	Dom. Bank Bldg.	EL. 3481
GRASETT, J. E. & CO.	302 Bay St.	WA. 4781
HAIG, RENNIE & CO.	330 Bay St.	AD. 4981
HAMBLY, PEAKER & TRENT	Dom. Bank Bldg.	EL. 3293
HARCOURT, POUPORE & CO.	27 Melinda St.	EL. 1362
HARLEY, EASTON, FISHER & McDONAGH	170 Bay St.	WA. 4693
HARRIS, W. C. & CO.	255 Bay St.	EL. 4106
HOGG, W. F. & CO.	320 Bay St.	AD. 4171
HOUSSER, H. B. & CO.	Royal Bank Bldg.	EL. 7193
HUTSON & CO.	11 Jordan St.	WA. 7021
LESLIE, FRANK S. & CO.	304 Bay St.	EL. 8401
MACDONALD & BUNTING	2010 Royal Bank Bldg.	AD. 3484
MACDONALD, W. M. & CO.	Atlas Bldg.	WA. 3011
MACKELLAR, S. R. & CO.	25 Melinda St.	AD. 4911
MARA & McCARTHY	Can. Perm. Bldg.	AD. 9151
MATTHEWS & COMPANY	80 King St. W.	EL. 5191
McLEOD, YOUNG & SCOTT	Metropolitan Bldg.	AD. 4081
McMILLAN, GUEST & CO.	Royal Bank Bldg.	EL. 6407
MELADY, JOHN & CO.	39 Broadway	New York
MILNER, ROSS & CO.	330 Bay St.	WA. 1701
MITCHELL, W. G. & CO.	15 King St. W.	EL. 5187
MOONEY, J. R. & CO.	200 Bay St.	AD. 8201
MOSS, LAWSON & CO.	219 Bay St.	EL. 9281
NICHOLSON, G. W. & CO.	302 Bay St.	EL. 5317
O'HEARN, F. & CO.	11 King St. W.	WA. 7881
OSLER, A. E. & CO.	11 Jordan St.	AD. 2431
OSLER & HAMMOND	21 Jordan St.	EL. 1335
OSWALD & DRINKWATER	275 Notre Dame St. W., Montreal	HA. 6101
PARDOE, AVERN & CO.	38 King St. W.	EL. 4256
PIERCE, E. A. & CO.	40 Wall St.	New York, N.Y.
PLAYFAIR & CO.	200 Bay St.	AD. 6001
PLUMMER, H. L. & CO.	15 King St. W.	EL. 5156
POOLER, E. H. & CO.	297 Bay St.	AD. 4902
POTTER & CO.	427 St. James St. W., Montreal	HA. 9151
RACINE & CO.	226 Notre Dame St. W., Montreal	BE. 1711
RICHARDSON, JAS. & SONS	367 Main St., Winnipeg, Man.	
RITTENHOUSE, HAMILTON & CO.	80 King St. W.	EL. 0247
ROBERTSON, DUNCAN & CO.	320 Bay St.	EL. 4331
SCOTT, J. M. Jr. & CO.	Atlas Bldg.	WA. 3881
SEAGRAM, HARRIS & BRICKER	34 Adelaide St. W.	AD. 9041
STEWART, McNAIR & CO.	68 King St. W.	EL. 0421
STRATTON, J. R. & CO.	22 King St. W.	WA. 6090
THOMSON, MATHEWSON & CO.	355 St. James St. W., Montreal	MA. 6311
TIMMINS, J. R. & CO.	347 Bay St.	AD. 8132
URQUHART, N. C. & CO.	15 King St. W.	AD. 6028
WATSON, WALLACE & CO.	302 Bay St.	WA. 3871
WATT & WATT	6-8 Jordan St.	AD. 7151
WEST, LOUIS J. & CO.	80 Richmond St. W.	WA. 7041
WHITE & HALDENBY	15 King St. W.	WA. 6194
WILLIAMS, G. C. & CO.	293 Bay St.	AD. 4236
WILLS, BICKLE & CAYLEY	Can. Bank of Com. Bldg.	WA. 4561
WILSON & CO.	302 Bay St.	WA. 2956

W. C. Pitfield
& Company, Limited
Investment Dealers
•
Offering
a Complete
Investment Service
•
MONTREAL - TORONTO
Ottawa Saint John Halifax
Vancouver London, Eng.
New York

CANADIAN
FUND

Prospectus of Canadian Investment Fund, Ltd., obtainable from your own investment dealer.
CALVIN BULLOCK, LTD.

DO YOUR MINING INVESTMENTS INCLUDE
the four most outstanding mining opportunities in Canada?
Write for Information
BRIDGER • WAverley 3461
Members HEVENOR & Co.
THE TORONTO STOCK EXCHANGE
60 KING ST., W. - - TORONTO

Carefully Studied
WAR TIME INVESTMENTS
•
OSWALD & DRINKWATER
Members
Montreal Stock Exchange
Montreal Curb Market
Toronto Stock Exchange
Canadian Commodity Exchange Inc.
Canadian Commodity Clearing Association Inc.
Insurance Exchange Building,
MONTREAL—HArbour 6101*

Post Contest Aids Investors

Judges Explain Methods Used in Selecting Ten Winners From Entrants

Judges of The Financial Post's contest "Investing in Wartime" have finished their work and the prize winners are announced on page 1.

The judges are unanimous in the opinion that this contest has brought out some excellent advice to investors generally, and especially at such a critical time as the present.

Although it had at first been intended to give only two prizes, one of $100 for the best entry and another of $50 for the runner-up, the general excellence of many of the entries submitted has persuaded The Post to give "Honorable Mention" prizes of $25 each to another eight entries. The plan is that all of these will be published in this and coming issues. It is also probable that certain other entries which did not receive a prize or an honorable mention award but possessed certain unique and worthy features, will also be published.

The judges worked under the chairmanship of Gilbert E. Jackson, Toronto. Mr. Jackson was for some time director of studies in the School of Commerce and Finance at the University of Toronto and also acted as economist for the Bank of Nova Scotia. He left Canada several years ago to become an economic adviser to the governor of the Bank of England. Since returning to Canada about a year ago, he has been active as a consultant economist for large business corporations and also directs the investing of substantial amounts of British and foreign capital that has taken refuge in Canada.

Other Consultants

Aiding Mr. Jackson were the senior editors of The Financial Post in Montreal and Toronto. Also called in as consultants were two representative businessmen—investors who have had much to do with investing large sums for many years.

In the conditions governing the contest, it was stated that "answers must be in the form of an article of not more than 2,000 words suitable for publication in The Financial Post." As there were 120 entries, this meant at least 240,000 words to be read and studied, without counting the portfolio itself which naturally required additional study.

Another condition, or rule, of the contest was that "answers will be judged not only on the selection of investments and the division of the fund, but on the presentation of arguments in support of the policy proposed." As was implicit in the terms of the contest, those entrants were wisest who considered not only the problem of investing in wartime but of adjusting the programme later to the needs of peace.

As The Financial Post had no intention of setting itself up as final judges of just which were the best investments for a Canadian businessman in wartime, greatest emphasis was placed on the logical arguments advanced, and the clear-cut, practical nature of the general programme explained by the contestant.

Basis of Judging

Among the items for which credit was given in marking these entries were such factors for judging a good portfolio as diversification, management, financial and earnings record of the company, marketability, attention to both appreciation and security of capital.

Attention was also directed to the manner in which the entrant presented his arguments for the various types of securities included and for his general programme. For the programme, it was essential that the contestant have presented a sound and practical programme that would serve as guidance in investing during wartime and that he had considered post-war conditions as well.

Finally, smaller credits were given for complying with the conditions of the contest, such as submitting a good readable article suitable for publication in The Financial Post and a specific list of securities with certain essential details that had been specified.

For the final judging, greater emphasis was placed on the portfolio itself and the clear-cut presentation of a good list with convincing arguments for the list as a whole and for the individual securities. Then with regard to the general programme, it was considered essential that this unfold a suitable plan to meet the immediate problem of selecting securities under wartime conditions. It was considered essential that winning entries should have shown both how to follow up this programme and protect the fund under war conditions and give advice on adjusting the programme to the prospective arrival of peace.

Judges' Comments

As the result of their painstaking study of the many entries submitted, the judges came to certain conclusions as to where the greater number of contestants failed to make the most of their opportunities. Take the question of management in a company the stocks of which were recommended. One of the judges points out that reference to this important factor was made only in general terms. In no single case was any information given as to the name of the manager or president, his record and experience. This judge, with a wide experience in investing, considers a one-man company dangerous but says that no entrant mentioned as a point in favor of his selections that a succession of management had been provided.

Earning Record

Although it was not stressed in the rules of the contest and was left to the contestant's own judgment, one judge mentioned that long-term record of earnings for each company recommended would have strengthened the argument in many cases. Too great emphasis on the so-called "cyclical" industries was also evident in the opinion of certain judges.

Actually, however, the comments from the judges were more complimentary than derogatory and tribute was paid to the sincere and painstaking work done. In the final analysis there were over 30 entries that stood as having a great deal of merit. It was not easy to choose between them. As a unique example of what serious students of investments think of such questions as the place of bonds in today's portfolio, the position of preferred stocks, as well as that of various industries, the results are exceedingly valuable. Much of this will come out through further analysis of the entries as a whole and be the basis of further articles in The Financial Post.

$50,000 Portfolio For a Businessman

The Defensive Fund

	Approx. Curr. Price	Approx. Curr. Value	Indic. Annl. Rate	Indic. Annl. Income	Indic. Curr. Yield	Yield to Maturity
$2,000 Dominion of Canada 5% Nov. 15, 1941	106	$2,120	5%	$100	4.72%	1.97%
$2,000 Dominion of Canada 3% Oct. 15, 1942	102	2,040	3%	60	2.94%	2.46%
$2,000 Province of Ontario 6% Sept. 15, 1943	110	2,200	6%	120	5.45%	3.31%
$2,000 Can'n Natl. Railway 3% May 1, 1944	101	2,020	3%	60	2.97%	2.76%
$2,000 Province of Ontario 2½% May 15, 1945	97	1,940	2½%	50	2.58%	3.10%
$2,000 Can'n Natl. Railway 2¼% Jan. 15, 1946	96	1,920	2¼%	45	2.34%	2.96%
$2,000 Province of Quebec 3% Nov. 1, 1947	91	1,820	3%	60	3.30%	4.34%
$2,000 Province of Ontario 5% Oct. 15, 1948	110	2,200	5%	100	4.55%	3.69%
		$16,260		$595	3.66%	

The Basic Fund

	Approx. Curr. Price	Approx. Curr. Value	Indic. Annual Rate	Indic. Annual Income	Indic. Current Yield
5 shs. Bell Telephone	163	$ 815	$8.00	$40	4.91%
50 shs. British American Oil	23	1,150	1.00	50	4.35%
60 shs. Building Products	17	1,020	0,80	48	4.71%
10 shs. Canada Packers	100	1,000	4.00	40	4.00%
5 shs. Canadian Bank of Commerce	155½	777	8.00	40	5.14%
5 shs. Canadian Industries "B"	226	1,130	6.00	30	2.65%
20 shs. Canadian Westinghouse	52	1,040	1.50	30	2.88%
20 shs. Consolidated Smelters	50½	1,010	1.50	30	2.97%
50 shs. Ford of Canada "A"	20½	1,025	1.00	50	4.88%
15 shs. Goodyear Tire	85	1,275	5.00	75	5.88%
20 shs. International Nickel	48½	970	2.00	40	4.12%
15 shs. Noranda Mines	76	1,140	4.00	60	5.26%
25 shs. Ogilvie Flour	35½	887	1.00	25	2.82%
25 shs. Royalite Oil	40	1,000	1.50	37	3.75%
50 shs. Shawinigan Water & Power	22⅜	1,119	0.90	45	4.02%
10 shs. Steel of Canada Part. Pref.	83	830	1.75	17	2.11%
		$16,188		$657	4.06%

The Aggressive Fund

Growth Stocks—					
60 shs. Canadian Breweries Pref.	18⅜	$1,102	$2.00	$120	10.88%
40 shs. Crown Cork & Seal	25	1,000	1.60	64	6.40%
50 shs. Fanny Farmer	22½	1,125	1.50	75	6.67%
40 shs. Indust. Acceptance "A"	24½	980	2.12½	85	8.67%
		$4,207		$344	8.18%
Cyclical Speculations—					
$2,000 Abitibi 5% Bonds, 1953	63	$1,260			
60 shs. Dominion Steel & Coal "B"	16¾	1,005			
100 shs. Fleet Aircraft	9⅝	962			
65 shs. Howard Smith Paper	16¼	1,056			
15 shs. National Steel Car	71¼	1,069	$2.00	$ 30	2.81%
		$5,352		$ 30	0.60%
Primary Producers—					
50 shs. Asbestos	24	$1,200	$1.20	$ 60	5.00%
1000 shs. Anglo-Canadian Oil	1.07	1,070	...	...	......
800 shs. Coniaurum Mines	1.35	1,080	0.15	120	11.11%
400 shs. Home Oil	2.75	1,100	...	...	......
900 shs. Kirkland Lake	1.20	1,080	0.10	90	8.33%
600 shs. Perron Gold Mines	1.80	1,080	0.18	108	10.00%
200 shs. Lamaque Gold Mines	6.40	1,280	0.60	120	9.38%
		$7,890		$498	6.31%
Total Aggressive Fund		$17,449		$872	5.00%
Total Portfolio		$49,897		$2,124	4.26%

Note: All prices taken as of Oct. 14, 1939.

Above is the portfolio suggested by S. C. Scobell in his first prize winning article in The Financial Post contest.

Investing $50,000 in Wartime

(Continued from previous page)

companies which had experienced expanding earnings in / previous years and reached a profits peak in 1938, we shall at least have a group to which other tests may be applied. After comparing past performances, current positions, and possibilities for continued expansion, four "growth" stocks remain: Canadian Breweries Preferred, Crown Cork & Seal, Fanny Farmer, and Industrial Acceptance.

Another quality which we shall seek is a strong cyclical characteristic. Of all the securities in our portfolio, the five in this sub-group (Cyclical Speculation) may require the maximum attention. Three of them are stocks which may be strongly stimulated by war orders. The other two are "paper" securities which are benefitting indirectly from war influences. Nevertheless, all of them, with the possible exception of Fleet Aircraft, have revealed an ability to show sufficient earnings under prosperous conditions to justify better than current prices, even though their normal earning power might not warrant existing quotations. Here, however, over 11% of our portfolio is under the current influence of war. Under different conditions, it is this section of our Aggressive Fund which might be altered.

Conclusion

Finally, a strong representation in three of Canada's primary producing industries is suggested. The common stock of Asbestos just missed our Basic Fund. We include it here, and we are placing sufficient in the golds to bring the total representation in this industry (including part of Noranda) up to 10%. Two western Canada oils round out the selection.

In preference to the major golds we have chosen four representative junior golds in the belief that the essential longer-term danger is not whether gold will be lowered in price but whether it can maintain its present position now that most Central Banks find they can do without gold as a backing for currency.

Primary Producers

As we feel that the outlook for gold is distinctly more favorable than unfavorable, we have chosen Coniaurum, Kirkland Lake, Perron and Lamaque instead of Dome, McIntyre, Hollinger and Wright-Hargreaves. These latter four might be just as badly affected by adverse developments without enjoying perhaps the potential vitality of the younger properties.

Gold Outlook

Thus, we have divided the $50,000 into three parts: (1) A Defensive or Liquid Fund; (2) A Basic Fund; and (3) An Aggressive Fund. Without supervision, this portfolio should prove adequately profitable during periods of expanding business and give a reassuring measure of protection during major downswings in the market.

At the same time, the portfolio is designed for reasonably simple management. With a maximum of, say, $18,000 being set for the Aggressive Fund, intelligent shifting into the Defensive Fund during periods of uncertainty (or during marked prosperity) would enable even the most casual investor to achieve professional results.

Canadian Airways Starts Maritime Feeder Service

From Our Own Correspondent

MONTREAL.—Canadian Airways has started an experimental air-mail service from Trans-Canada Air Lines terminal at Moncton to several Maritime cities.

The T. C. A. has been operating experimental mail and express flights from Montreal to Moncton since Nov. 1. The feeder service of the Maritime network as planned. The Canadian Airways service will The Canadian Airway service will take in the cities of Saint John, Halifax, Charlottetown and Summerside. Other points will be included when the service is established on a regular basis.

Mutual Supporting Assoc. On Legal Reserve Basis

The Mutual Supporting Association of Winnipeg has been reorganized as a legal reserve life insurance association and licensed under the fraternal section of the Manitoba Insurance Act. Its name has also been changed to the Mutual Home Security Association.

Under the previous name, the association has been operating in Manitoba for eight years, under the Assessment Act.

Contest Stress Canadian Stocks

Majority of Contestants Find No Handicap In This Restriction

One effect of the war and wartime measures on the portfolios submitted in The Financial Post contest on how to invest $50,000 for a businessman in wartime was that selections had to be restricted to Canadian stocks and bonds. This may have been regarded as a certain amount of disadvantage by some contestants but not so for many others.

"Wartime restrictions require that his securities be purchased in domestic markets, irrespective of how attractive a stake in some neutral country might appear to be. There should be no difficulty in spite of the restriction, however, as the Canadian situation affords plenty of scope for the problem in hand," writes one contestant.

Another says: "It is not a difficult problem for the average Canadian businessman to find in time of war all the investment securities he could desire right within the boundaries of his own country."

J. R. Timmins & Co.
MEMBERS
NEW YORK STOCK EXCHANGE
TORONTO STOCK EXCHANGE
NEW YORK 61 Broadway
TORONTO 347 Bay Street
MONTREAL Royal Bank Bldg.
V. J. McCABE, Resident Manager

Wartime Investments
Require Constant Supervision.
Let us Analyse Your Position.
Allan B. Fisher Limited
19 Richmond St. W. EL. 5111-3

Bond Dealers and Stock Brokers
MILNER, ROSS & CO.
Members The Toronto Stock Exchange
330 BAY ST.
TORONTO
WA. 1701
PIGOTT BLDG.
HAMILTON
7-1168

MATTHEWS & COMPANY
Established 1909
We offer a specialized investment service on request.
Members of The Toronto Stock Exchange
80 King St. W. Toronto, Ont. ELgin 5191
Cables "Matco"

ALL THE FACTS AT YOUR FINGER TIPS!

For Sound Selection and Close Study of Wartime Investments

THE FINANCIAL POST CORPORATION SERVICE places at your finger tips the essential investment facts you must have in deciding on a wartime portfolio. The information is complete, accurate and dependable and a daily news service keeps you right up-to-date on current operations and changing conditions affecting any company.

A Service for Every Need

All types of Canadian companies are covered by the Service — industrials, public utilities, mines, oils, banks, investment trusts, trust and loan companies, life insurance companies, real estate companies, etc. Services are available to fill the requirements of every financial organization and special services on specific companies may be secured by individual investors desiring to investigate and follow a selected list of securities.

The complete service (covering all companies) is $20 a month.
Industrial Service, $15 a month.
Mine and Oil Service, $10 a month.
Mine Service, $7.50 a month.
Investor's Service, from $5 a year up.
Send in this coupon and secure full particulars.

The Financial Post Corporation Service,
481 University Ave., Toronto.
Please send me complete information on the service checked below and sample card on: ....
Complete Service ☐
Industrial Service ☐
Mine and Oil Service ☐
Mine Service ☐
Investor's Service ☐
Name ....
Address ....

IS GOLD A WAR NECESSITY?
We shall be glad to forward our latest letter covering our opinions on this subject.
J. E. GRASETT & CO.
Members The Toronto Stock Exchange
302 BAY ST. WAVERLEY 4781 TORONTO
Branch Office:
2822 Dundas St. W. at Heintzman Ave. JU. 1167.

H. B. HOUSSER & CO.
Members The Toronto Stock Exchange
ORDERS EXECUTED ALL STOCK EXCHANGES
ROYAL BANK BLDG. TORONTO
Cable Address: "HOUSSER"

MINING AND INDUSTRIAL STOCKS
We would be pleased to execute orders or furnish information on Canadian mining, oil and industrial stocks.
G. W. NICHOLSON & CO.
Members
The Toronto Stock Exchange
Canadian Commodity Exchange Inc.
Telephone Elgin 5317
302 BAY ST. - TORONTO

W. C. HARRIS & CO.
Members
TORONTO STOCK EXCHANGE
W. C. HARRIS - A. M. RAMSAY
225 BAY ST. (ELGIN 4107) TORONTO

A finely balanced blending of top grade HAVANA FILLER!

B-H INVINCIBLES A BENSON & HEDGES Value

15¢ Also Corona Shape

The GREATEST NAME IN CIGARS SINCE 1873

Could Raise Million Men

40% Population Growth Since 1914 —More Mechanically Minded

By W. BRUCE MacKINNON
Staff Writer, The Financial Post

How does Canada's man power meet the needs of her second great war? What changes have taken place in the quantity and quality of Canada's most important asset since 1914, and what effect will these changes be likely to have on the character of our participation in the present struggle?

Always assuming they are needed, Canada can bring 40% more men, women and children to the service of the Empire than she could in 1914, the Dominion's population having grown from 7,879,000 in 1914 to 11,120,000 in 1938. This increase, of course, is due to the growth of population of from slightly under eight millions at the beginning of the last war to an estimated 11.1 millions in 1938.

Could Enlist 850,000

Putting it another way, where Canada enlisted some 600,000 men in 1914-18, she could now enlist 850,000 men and still keep the same percentage of her population at home. Should the need arise, this country could now put a million men in the field during the course of a long war. European countries with a similar population can do that. On the basis of crude numbers alone, Canada can strike almost twice as hard as she did in 1914.

What of the other factors? Taking the two census periods nearest the outbreak of hostilities, i.e., 1911 and 1931, Canada faced her first war with a population 53% male; today the proportion of male inhabitants has dropped to 52%. The change is more interesting as evidence of a trend in population than important in a military sense.

More Women Now!

A more important change has taken place in the marital status of Canadians. In the census preceding the first great war, 35% of Canadian men were married. In those days women were scarce in the pioneering West, and many a young immigrant had left his sweetheart at home. Since then the proportion of married men has risen to 38%, a change that assumes greater importance when it is realized that the bulk of the increase in married men will occur among men of fighting age. If Canada is called upon to send large numbers of men overseas, there will be a larger proportion of married men in her ranks than there was the first time.

Age Distribution of Canadian Men

Group:	1931 %	1911 %
15-19 years	9.78	9.26
20-29 years	16.26	19.93
30-44 years	20.00	20.58
45-59 years	14.68	11.71

The age distribution of Canada's male population has also been changing. The accompanying table shows the ages of Canadian men as compared at the two census dates. The four age groups may be regarded as: the pre-fighting age group, and the first, second and third fighting age groups. Those in the pre-fighting age group comprise approximately equal proportions of the male population at both dates, indicating that the larger population of 1939 has just as much in reserve as in 1914.

Younger People Scarcer!

But it is in the first fighting age group, comprising those between the ages of 20 and 30, that the change becomes pronounced. Before 1914, this group contained some 20% of the male population of Canada. It has since shrunk to a little over 16%. Numerically, of course, there has been a substantial increase, but the proportion has dropped as a result of the decrease in immigration.

In the second group, covering men from 30 to 45, there has been very little change, but the third group, aged from 45 to 60, has risen to include 15% instead of 12% of the male population. The increase is evidence of the modern tendency for people to live longer than formerly. Here again, the change does not seem to have any great bearing on the case, except that Canada now has a greater supply of the age class needed for home defense and could consequently send younger men overseas in greater numbers.

Regarded from the point of view of numbers, age and marital status, Canada could put 41% more men in the field than she could in 1914, but if the maximum contribution is required, it will be necessary to draw men from the higher age brackets, and more married men than was the case in 1914. So much for quantity, how about the quality of Canada's people?

Immigrant Shut Off

From 1903 on Canada had been receiving immigrants at a rate never less than 130,000 persons annually. In 1913 the number admitted was 400,870, of which less than 40% came from the United Kingdom. In 1911, 1912 and 1913, over 1,000,000 immigrants arrived in this country, a number equal to roughly one seventh of the entire population of the Dominion in 1914. The effect of such an upheaval in population leaves us wondering how the Dominion ever managed to gird herself to meet the demands of the Great War.

In contrast, immigration in the eight years from 1931 to 1938 amounted to only 130,244 persons—less than the lowest number for any single year of the pre-1914 decade. By way of comparison, enough immigrants arrived in Canada during 1913 to populate nearly half of the present city of Montreal, whereas during the past eight years the average influx has been only 16,280 persons.

Longer in Canada

The small number of recent newcomers has meant that Canada has been free from the disturbing influences that arise from a large-scale shift in population, which is largely native born. According to the 1931 census, the average foreign-born resident of Canada had lived in this country for over 16 years. That means that by 1939 the average length of residence must be about 25 years. That should have been time enough for the immigrant to have brought up an all-Canadian family, to be fully absorbed into Canadian life himself.

Another factor of some importance is that recent immigrants from Europe could in many cases be more accurately classified as refugees—refugees from the same creeds that Canada is fighting. At the same time, a handful of discontented newcomers have accepted Hitler's and Stalin's offers of work at home and have returned to a place where they cannot disrupt Canada's domestic affairs.

Better Educated

While the influence of outside forces has diminished, internal progress has gone forward unabated. There has been a gradual shift toward urban life, which embraced 45% of the population at the 1911 census, and rose to 54% by 1931. Accompanying the move of population, there has been a rise in the standards of education, difficult to measure, but indicated by the fact that in 1911, 10.5% of the population could neither read nor write, while in 1931 this section had been reduced to 2.65%. Technical training for public and high school students in 1914, was available only in a few large centres and was regarded as something of an experiment. Generally speaking, high school entrance in 1914 ended the academic careers of more than half Canada's boys and girls compared with matriculation in the present day.

Since the 1911 census, 5% of total manpower of the Dominion has moved from agriculture to such trades as transportation and services. The increase in the number engaged in services is an index of the improved standard of living in Canada. In the manufacturing section there has been practically no change in the proportion employed, but it must be recalled that manufacturing before the first great war was of a less advanced character in Canada, and was more intimately connected with satisfying the needs of rapid expansion than in catering to the established requirements of a settled people. Moreover, the advance of mechanized mass production methods has meant a great increase in the output of the individual.

Familiar With Mechanization

Mechanization has also increased in the so-called "primary" industries. The use of the tractor in farming and lumbering, the power boat in fishing and the airplane, Diesel and electric power in mining have all given the Canadian worker a first-hand knowledge of machinery that will increase his value in the present war.

Modern standards of living have also given every Canadian a closer acquaintance with the use of mechanical devices. There is one automobile to every eight Canadians, as against one to every 42 Germans, one to every 93 Italians and one to every 253 Russians. It seems strange that the totalitarian states should be the ones to emphasize mechanized warfare when their people have so little contact with the automobile in ordinary life. Using figures for automobile ownership to illustrate the machine-minded character of today's Canadian population may appear debatable, but a person who can drive a car can certainly operate many of the machines used in war and in the production of munitions.

Canada ranks high in the number of telephones and radios as well as automobiles, and has learnt to provide these and many other features of modern life for herself, for the most part in the years following the great war. The technical and manual ability that has been acquired in 25 years of peace can now be turned to the production of armaments. It is now considerably easier to list the implements of war that the Dominion cannot produce than to enumerate those that she can. If further proof of Canada's wartime potentialities were needed, it is to be found in the announced policy of the British Government to treat Canada as a major arsenal.

Godbout Heads Strong Cabinet

Several Portfolios Merged — Mathewson Is Treasurer

From Our Own Correspondent

MONTREAL. — The cabinet selected by Hon. Adelard Godbout, Quebec's new premier, is generally considered a strong one. It includes men of proven ability and administrative experience.

Fourteen members make up the cabinet, eight of whom are charged with the administration of departments and six are without portfolios.

As compared with the Duplessis cabinet, there are a number of changes. In the first place, Premier Godbout has merged several portfolios. Representatives of the English minority in the cabinet have been reduced from three to two. Furthermore, the tradition of having a member of the Legislative Council as a minister without portfolio has been broken.

In some quarters, the latter is taken as an indication that the Upper House, members of which are appointed for life, may be abolished. Quebec is the only province which retains a Legislative Council as part of the machinery of government.

One of the resolutions adopted at the Liberal convention in June, 1938, which confirmed Premier Godbout as leader, was that the party would abolish the upper chamber if it was returned to power.

In addition to the premiership, Mr. Godbout has accepted the portfolio of minister of agriculture and colonization. Under the Duplessis Government, agriculture and colonization were separate portfolios.

Mathewson Is Treasurer

In keeping with tradition, the post of provincial treasurer is filled by a representative of the English-speaking minority, Hon. J. Arthur Mathewson, K.C., who represents a Montreal riding.

Other members of the cabinet are as follows:

Attorney-general — Hon. Wilfrid Girouard, K.C., Arthabaska.

Minister of Lands, Forests, Fish and Game—Hon. Pierre Emile Cote, K.C., Bonaventure.

Minister of Labor and Mines—Hon. Edgar Rochette, K.C., Charlevoix-Saguenay.

Minister of Trade and Commerce and Municipal Affairs—Hon. Oscar Drouin, Quebec East.

Minister of Roads and Public Works—Hon. T. D. Bouchard, St. Hyacinthe.

Provincial Secretary and Minister of Health—Hon. Henri Groulx, Outremont.

Ministers without Portfolio—Hon. Leon Casgrain, K.C., Riviere du Loup; Hon. Cleophas Bastien, Berthier; Hon. Georges Dansereau, Argenteuil; Hon. Frank Connors, St. Ann; Hon. Wilfrid Hamel, St. Sauveur.

Finds "Unlawful Combine" Of Companies In The West

Control of Western Grocers Ltd. and its wholly-owned subsidiary, Dominion Fruit Ltd. over certain shipping agencies, representing fruit growers in British Columbia is in violation of the Combines Investigation Act, according to a report made public by Hon. Norman McLarty, Minister of Labor. The report was submitted Oct. 31 by F. A. McGregor, Commissioner of the Combines Investigation Act.

It was also found by the commissioner on another account that no combine exists among the three major wholesale fruit houses, Western Grocers Ltd., Consolidated Fruit Co. and Macdonalds Consolidated Ltd. These three companies handle about three quarters of the wholesale fruit and vegetable business in the Prairie Provinces. It was alleged that they had combined to depress prices to the growers and raise prices to consumers.

Relationship Secret

The combine of jobbers and shippers was formed in 1936, the report relates. At that time Western Grocers, through Dominion Fruit Ltd. purchased half of the shares of Lander Co., of Verdun, B.C., a holding company, which controlled Sales Service Ltd., representing the second largest group of fruit shippers in the Okanagan Valley. Nothing was disclosed regarding the relationship until it was revealed in Vernon in Aug., 1938. This relationship between jobbers and shippers is said to correspond to that between jobbers and brokers, which was declared unlawful in the Nash fruit combine case in British Columbia 14 years previously. Legislation was enacted in British Columbia at that time to prevent recurrence of the practice of jobbers exercising control over agents of the growers.

Mr. McGregor states objection to this practice in the report as follows:

"The interest of a jobber who buys fruits and vegetables from a shipper is adverse to that of the growers whose products are being bought. If the jobber has a substantial interest in the shipper, the shipper cannot be expected to exercise independent control as an agent for his grower principal; he is placed in the position of having conflicting responsibilities."

Arrangements Secret

Negotiations which led to the investment by Western Grocers Ltd. in 1936 are outlined by the report. Secrecy which surrounded the arrangements, is emphasized, and registration of shares in particular. Provisions were also made at this time for special secret quantity discounts to Western Grocers Ltd. by Sales Service Ltd. and Associated Growers of B. C., the report states. Discounts were paid to the head office, with the result that branch managers in determining their selling prices were unaware of the reduction in cost which had been effected. The report states:

"The secrecy surrounding various deals between 1936 and 1938, the non-disclosure of important information by Sales Service Ltd. to its principals, and the general atmosphere of domination by Western Grocers Ltd. over this grower selling agency, are together illustrations of conduct, furthered and intensified by the investment, which cannot be regarded as in the public interest. In British Columbia legislation has stated that, as a matter of public policy, jobbers should not invest in fruit shipping concerns. To that further extent the investment in the Lander Co. may be regarded as a detriment to the entire public of the province."

No justification for the quantity discount system as it operated between Sales Service and Western Grocers is found by the report.

Close relationship between jobbers and brokers is also found in an arrangement between C. H. Robinson Co., which is controlled by the Nash fruit organization in the United States, whereby this company agreed to pay Western Grocers all but a slight portion of the profits on the Robinson brokerage business in Canada.

The Commissioner recognizes in his report that Western Grocers has not yet reached the monopoly stage in the following sentences:

"The presence of two large competitors and other smaller wholesalers limits, however, the extent to which it can maintain any complete control over supplies and prices."

No price agreements justifying an adverse finding were found to exist among the three major jobbers, Western Grocers, Consolidated Fruit and Macdonalds Consolidated. It is also stated in the report that there was no evidence to support the claim that the major jobbers had combined to prevent independents from participating in pool supplies or to impose special trade deals upon British Columbia fruit and vegetable shippers.

Graustein Makes Deal With "Car"

From Our Own Correspondent

MONTREAL.—Canadian Car & Foundry Co. has sold the majority of its holdings in the Burnelli Aircraft Corp. to Archibald R. Graustein, former head of International Paper & Power Company. Burnelli Aircraft manufactures a type of plane known as the "flying wing" with motors and pilots housed in a broadened wing section at the centre. Canadian Car owned a controlling interest in the company, carried on its books at $75,000.

The deal is of more than passing interest here because of the former close association between Victor M. Drury, head of Canadian Car, and Mr. Graustein. Mr. Drury was actively and closely associated with the various I. P. interests in Canada and the States when Mr. Graustein headed that organization.

ONE Mistake MAY COST YOU MONEY!

BUILD SAFE

30 YEARS BARN PLANNING IN THIS 400 PAGE BOOK

FREE

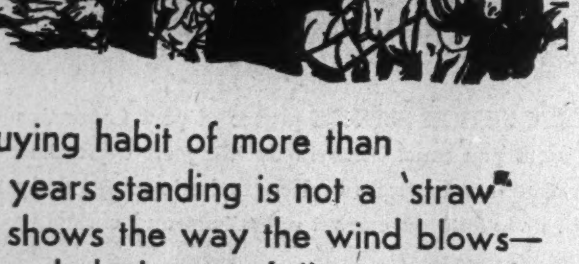
Well laid-out barns are not built by accident. You've got to plan on paper first before you build or remodel.

Appearance too is important; it means a great deal to prospective buyers of livestock. A well laid-out, modernly equipped barn shows off your stock to the best advantage and helps you get a better price.

The Beatty Barn Book shows you how to build the best barn in your neighborhood from foundation to roof, the most economical way.

Clip this adv, attach your letterhead to it and mail to nearest Beatty branch for FREE copy of Beatty barn book.

BEATTY BROS. LIMITED
Head Office - - Fergus, Ont.
Branches: Saint John, N.B., Montreal, Winnipeg, Edmonton, Vernon, Vancouver, London, Eng., Wellington, N.Z., Sydney, Aust.
F.P.

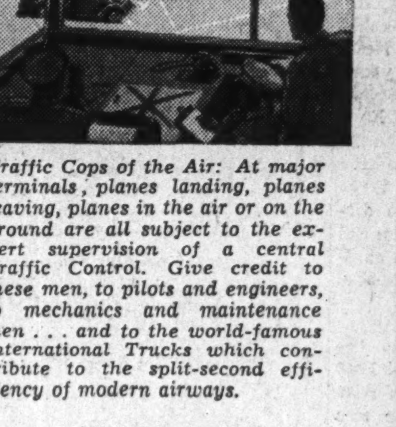

"A buying habit of more than fifty years standing is not a 'straw' that shows the way the wind blows—it's a whole hay-stack!"

Year after year for over a half-century, Toronto people have chosen the classified columns of The Evening Telegram for their own advertising. They have done so because they have got better results than from any other newspaper. So much so is this the case, that this great paper carries more "want ads" than any other paper in Canada. To any space-buyer this is more conclusive evidence of a paper's selling power than any other form of questionnaire or survey that can be devised. Toronto people have paid their good money to find out and their verdict should be final.

TORONTO IS A "TELEGRAM" CITY

THE EVENING TELEGRAM
Largest Classified Linage in Canada
TORONTO CANADA
MONTREAL: E. R. CHOWN, Dominion Square Building

Wings over INTERNATIONALS!
Airlines
AIR MAIL


Traffic Cops of the Air: At major terminals, planes landing, planes leaving, planes in the air or on the ground are all subject to the expert supervision of a central Traffic Control. Give credit to these men, to pilots and engineers, to mechanics and maintenance men . . . and to the world-famous International Trucks which contribute to the split-second efficiency of modern airways.

A dozen years ago you had to have feathers to **travel** by air. You could fly, perhaps, as the aviation pioneers did, but when you traveled, it was on the ground.

Today, air lines carry many thousands of passengers, and a vast tonnage of air mail and air express annually, joining our principal cities in a network of federally-controlled airways. Keeping the wings in the air is big business in itself . . . but don't overlook the fact that **ground service** is an intricate and vital division of air travel.

International Trucks play an important role in ground service to aviation. Air-conditioner trucks attend the planes. Gasoline trucks fill the large tanks in the wings. Caterers' trucks supply the ships' galleys. And other trim Internationals stand by with last-minute air mail and air express. Still others shuttle into and out of airports transporting supplies to hangars and terminals. At leading airports all over the land it is literally "Wings over INTERNATIONALS!"

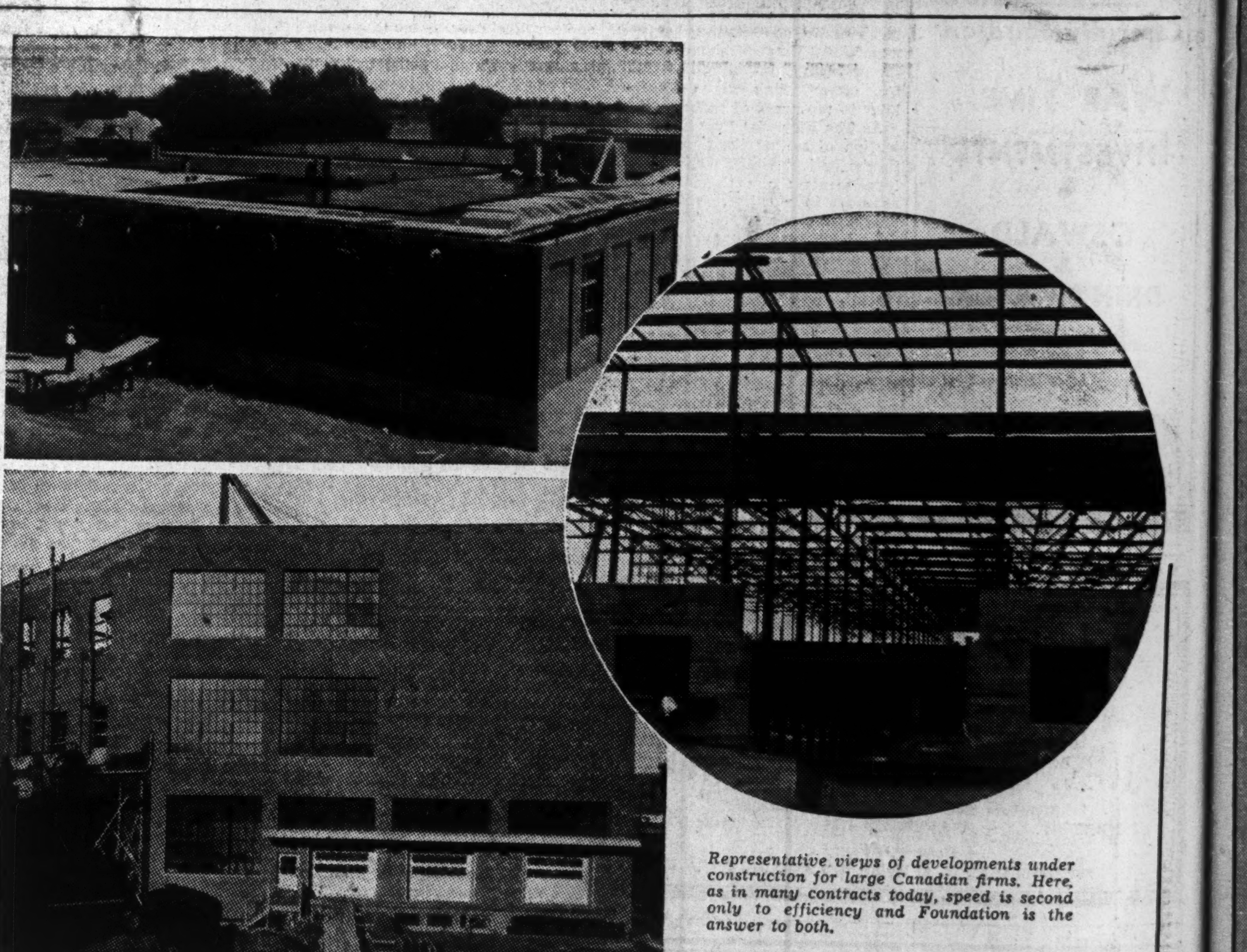
And International **all-truck** trucks play an equally important part in the transporting needs of all industries.

Owners rely on International performance and economy to cut hauling costs per mile, per ton, per gallon. And they rely on the world's largest Company-owned truck service organization to keep Internationals in top form. International sizes, ½-ton to powerful six-wheelers. See them at any International dealer or branch . . . and arrange a demonstration.

INTERNATIONAL

INTERNATIONAL HARVESTER COMPANY
of CANADA, Ltd.
HAMILTON ONTARIO
Truck Factory Located at Chatham, Ontario

INTERNATIONAL TRUCKS


Representative views of developments under construction for large Canadian firms. Here, as in many contracts today, speed is second only to efficiency and Foundation is the answer to both.

The Company with the Plant *Gets the Orders*

With all production portents pointing upwards, company executives are wondering how they can quickly rehabilitate existing accommodation and add new to cope with anticipated capacity requirements.

A record of construction achievement second to none—trained personnel and up-to-date equipment—unsurpassed facilities to handle both large and small industrial construction problems—all suggest "Foundation" as the logical choice to extend or renovate — quickly — the present accommodation of your plant.

THE FOUNDATION COMPANY
OF CANADA
LIMITED
MONTREAL TORONTO HALIFAX

THE FINANCIAL POST
Largest Circulation of All Canadian Financial Papers
Vol. XXXIII · Member of Audit Bureau of Circulations · PUBLICATION OFFICE: TORONTO, NOVEMBER 18, 1939 · 10c a Copy; $5.00 a Year · No. 46

War Strengthens Realty Outlook

Favorable Differences in Present Situation Compared With 1914 Indicate Better Trend

By GUY S. CUNLIFFE
Staff Writer, The Financial Post

One field of business activity in which the impact of war is being felt by practically every citizen of the Dominion is real estate. Every apartment and house owner, every holder of vacant frontage, every tenant is concerned.

But while effect of war is certain, the exact ramifications are not. The range is so wide, and the factors so conflicting that definite appraisal is difficult. Moreover the picture is further complicated by the changes in the situation of today from that of the first Great War.

Among the pertinent influences in the present situation, however, are major factors that point with fair certainty to probable basic trends. The weight of significant evidence at the moment appears to justify general expectations such as the following:

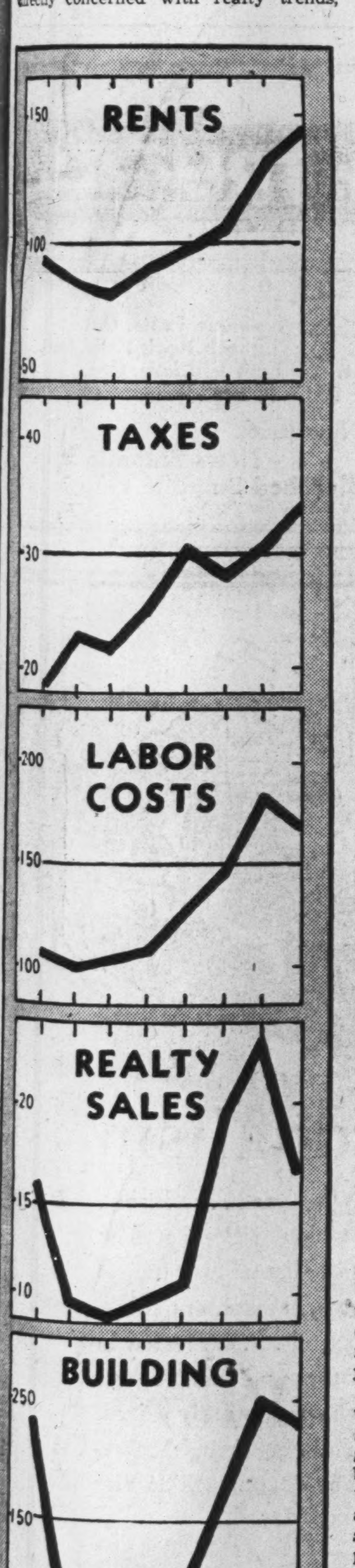
1. Whatever temporary interruptions or preliminary adjustments there may be, wartime real estate trends in Canada will ultimately quicken and widen the recovery currents becoming evident prior to the war.

2. Neither the downward nor the upward swings of real estate conditions will be as extensive and rapid as in the last war. Any gains in activity, price levels and investment yields promise to be relatively gradual.

3. An anticipated period of lull and adjustment, possibly recession, should be less depressive and less prolonged than the stagnation produced by the last war. Some aspects of the slump persisted until nearly the end of the war.

4. The retention of presently owned properties and judicious investment of idle funds in new properties or construction, either for self-occupancy or leasing, appears prudent in the light of the factors that can presently be appraised, certainly in the long-term outlook.

Among real estate dealers and others directly concerned with realty trends, there is fairly general feeling that the war should stimulate demand, and exert an upward pressure on property prices, rentals and real estate activity. The natural consequence of such developments would be an improved position for holders of property equities.



Bases and sources for this graphic picture of chief factors in real estate trends of Great War I, are: Rents, annual averages of quarterly indices of rentals in principal Canadian cities, Canada Year Book, 1921. Taxes, Toronto tax rates in mills. Labor costs, D. B. S. index of average hourly rates in seven building trades. Realty sales, number of real estate transfers in Toronto, in thousands. Building, value of construction contracts awarded, in millions of dollars, as estimated by MacLean Building Reports. For both the rental and labor costs indices, 1913 equals 100.

One hears much these days of real estate holdings and investment as an ideal "hedge against inflation." The inference is that owner-occupants are protected against prospect of climbing rents for all types of properties, and owners and investors generally can expect higher yields from property to offset inflated costs of commodities and services.

Composite Opinion

To some extent, such opinions may be the product of wishful thinking, particularly by real estate and construction men to whom the depression was none too kind. But there is considerable supporting evidence available even now for such views. And one cannot ignore the considered public opinion of legitimate qualified sources such as the Ontario Association of Real Estate Boards. In its October bulletin, the Association gave the following condensed synthesis of the opinions of "prominent real estate men all over the province" as to the effect of war on real estate:

"The immediate effect will be a lull in the real estate market. People will be waiting and watching, and will not commit themselves, being still held, as His Majesty the King said, 'in the bondage of fear.'

"After the first three or four months (if the war continues) when the position is clarified, the demand for all types of space will increase. Many point out that real estate values had already reached bottom, and that increased demand will mean better prices, both sales and rentals.

"If the war lasts for more than a year, there is a growing school of thought, not only among real estate men but among financial experts generally, that it will bring with it some form of inflation, and far-seeing people will invest funds in real estate as a hedge against this almost certainty."

This general view is supported by such eminent authorities as Herbert U. Nelson, vice-president of the National Association of Real Estate Boards (U. S. and Canada). In a recent statement, Mr. Nelson declared that real estate investments were a double protection against both war-inflated prices and post-war slumps. As dollars lose their purchasing power and price levels rise, he argues, the realty owner stands to gain.

In considering such predictions, it should be kept in mind that offsetting factors are often not mentioned by such commentators. One possibility is that even though rents and prices go up, the market for real estate may tend to be limited by the higher prices, by the heavy demand on capital by both government and industry for war purposes, and by improved ability of prospective tenants to avoid high rents by building for owner-occupancy.

Conditions Different Now

Present indications are that the Government will carry on the National Housing Act and Home Improvement Plan to help finance dwelling construction, and will prevent building material prices from soaring to excessive heights.

Close analysis of war factors affecting real estate brings out one very apparent feature: The conditions which prevailed at the opening of this war or which crystallized upon its outbreak, show marked differences from those at the outset of Great War I.

When the last war broke, Canada was already in the throes of a declining trend, especially in regard to real estate activity, and the war intensified the downward swing of the real estate and construction cycle. Rents plummeted downward for two years before turning up again. Construction dwindled

Real estate activity stagnated almost until the end of the last war, in regard to volume of trading and price levels alike.

In short, the last war did not alter but accentuated the depression cycle which began in 1912-13. There is good prospect that the present war likewise will accelerate and bring to earlier fruition the recovery indications of the past two years.

This may be mitigated in accordance with local conditions and the momentum gathered by any adverse factors, but generally speaking is likely to be the basic trend. It must be kept in mind that if the upward cycle is matured ahead of time, a downward phase may set in after the present war ends, or possibly before.

Affect All Groups

There may also be some variation between the trends in the different classes of real estate—residential, business and industrial, farm properties, and so on. And it is possible that any generalizations now possible will apply particularly to residential properties. But it is difficult to foresee how other classes of property can help sharing in some degree from the strengthening currents now being developed by war. Increased industrial production for both war and civil purposes should stimulate demand for industrial-commercial property and construction. And the expected combination of higher prices and emergency demand for food products should make good farm properties more desirable and profitable.

The upward phase of the economic and business cycle through which Canada was passing at outset of this war, in contrast with the downward swing in progress in 1914, was reflected in several ways. One of the most important was construction activity. After suffering a setback in 1938, it had shown an encouraging increase in the first eight months of 1939 and was apparently resuming the post-depression recovery started in 1935.

Particularly striking was the expansion of residential construction, which continued even into September, though at somewhat slower pace. However, October brought definite shrinkage in all divisions but industrial building.

There is good reason to hope that construction of all types, while it may be curtailed to some extent, will be maintained closer to normal levels than in the last war. There is a substantial backlog of deferred construction in all fields and a variety of factors tending to encourage rather than retard building operations.

One of these factors is the prospect that fewer Canadian soldiers will be sent overseas than in the last war, and that expansion of industrial production (and consequently of employment and purcasing power) will be much vaster. This should strengthen both sales and rentals of properties, and foster construction for owner-occupancy. With interest rates and building costs still at attractive levels, despite some increases, there has already been evidence of building to avoid probable future inflation of money, material and labor costs.

Effect on Rents

Rising rents ordinarily stimulate real estate activity and new construction, particularly by speculative operators. In the last war rents fell steadily for about two years before starting their upward climb to dizzy heights in the post-war period, as shown by the following table. Chief causes for this were withdrawal of men for overseas service, doubling up of families, and the general confusion and adjustment which prevailed for some time after the last war started. The upward trend shown as starting in the summer of 1916 can perhaps be attributed partly to return of wounded soldiers from overseas, but it probably resulted more from virtual suspension of residential building for two years, expanded purchasing power from industrial activity, employment of women, and the general inflationary influences of war.

Wartime Rentals
(Canada 1914-18)

	March	June	Sept.	Dec.	Aver.
1914	100	102	97	92	97.7
1915	89	87	85	84	88.7
1916	83	85	86	86	85.0
1917	88	92	93	94	91.7
1918	96	100	101	102	99.7
1919	103	110	114	117	111.0
1920	120	133	136	139	132.0
1921	139	143	145	145	143.0

Note:—Quarterly figures 1914-21 are taken from Canada Year Book, 1921.

In the present outlook, improved building volume has been sufficient to prevent rents bouncing up, but not enough to send them down very quickly or extensively unless Canadian troops are withdrawn heavily from civil life for mobilization and overseas service.

In the last war, rise of rentals failed to bring any substantial upturn in volume of building or real estate activity. The probable explanation is that by the time rents started to move up, various influences discouraging to building had gained considerable momentum. These included higher interest rates, enhanced building costs, a widened margin of vacant residential accommodation, and absorption of capital by war financing. Similar factors are apt to work in the present war.

The continued lag of building through the last war and the parallel uptrend in building costs, are shown in the following tabulation. Also indicated is the rapid acceleration of building following the war, despite inflated building costs. The already acute building shortage in 1918 was intensified, of course, by return of overseas troops to civil life.

Building Conditions in Canada 1913-21

	*Vol. of Bldg. (millions of $)	†Cost of Labor
1913	384.0	100.0
1914	241.9	100.9
1915	83.9	101.5
1916	99.3	102.4
1917	84.8	109.9
1918	99.8	125.9
1919	190.0	148.2
1920	255.6	180.9
1921	240.1	170.5

*Estimated totals of construction contracts awarded, as computed by MacLean Building Reports. †D.B.S. Index of average hourly wage rates in seven building trades.

‡Building Material Cost

	Lumber	Paints & glass	Miscellaneous
1914	182.1	140.7	111.4
1915	175.7	157.1	115.9
1916	182.1	200.5	154.9
1917	214.5	257.9	203.5
1918	267.1	310.8	225.4
1919	310.8	379.0	224.5
1920	486.5	444.2	258.7
1921	383.4	310.1	240.1

‡D.B.S. Index numbers of principal building material prices (average prices 1890-99=100).

Indices of such 1914-18 trends as residential vacancies, building of new houses, and real estate transfers are difficult to obtain for Canada as a whole. The following Toronto statistics, however, are believed to indicate the general wartime trends in these respects throughout the Dominion, or at least in central Canada.

Toronto House Vacancies and Construction
(War and Post-War Period)

	Total No. of Houses	Vacancy %	New Houses Built
1913	77,917	3.65	4,081
1914	80,471	4.43	4,158
1915	84,345	6.32	3,304
1916	85,060	5.20	829
1917	85,450	2.55	539
1918	85,923	2.21	743
1919	86,420	2.11	878
1920	88,488	2.14	1,978
1921	90,346	1.89	1,680
1922	92,455	2.02	2,016

Few Vacancies

The latest reported (1938) house vacancy ratio in Toronto is only 1.65%, and the apartment house ratio is also at a relatively low level. Despite the volume of residential building in Toronto and other large centres during the past year or so, there is no sign that vacancies have increased appreciably. Thus it might be said that a stimulus both to rents and continued building activity is active at outset of this war, in contrast to conditions at beginning of the last war.

The predominance at the moment of favorable factors in the real estate outlook is, of course, subject to shift and change as the war proceeds. Even now there are some elements of uncertainty in regard to even the favorable considerations, and these are offset by factors and probabilities less encouraging.

For example, the prospect of higher interest rates and building costs should give momentum to real estate operations in the early periods of the war. But when such increased costs materialize they will naturally curb activity. However, undue rise in either interest rates or material prices may be curbed by

(Continued on page 15, col. 4)

Important factor in wartime real estate trends will be the momentum gained by apartment building in the past two years, especially in the larger cities. Some of the projects have been of major proportions, such as the $500,000 Garden Court development (above) in the Toronto suburb of Leaside. The unusual design of the project was produced by Forsey Page & Steele, Toronto architects.

ROLLING WOODED COUNTRY SITES
20 MINUTES FROM DOWNTOWN
WIDE LOTS ... PROTECTED ... LOW TAXES
INFORMATION ON
GOVERNMENT LOANS
HOME SMITH & COMPANY

Influences prevailing in regard to real estate at start of the present war were markedly different in a number of respects from those operative in the summer of 1914. These factors, coupled with indications of what are to be characteristics of wartime conditions generally, suggest that real estate should give a better account of itself than in the first Great War. Both developed and undeveloped residential property, such as illustrated above, would share in any strengthening of real estate activity.

Securities Repatriation in War

By R. A. DRAPER
Staff Writer, The Financial Post

During the last Great War the British Government quietly and efficiently completed the greatest repatriation of securities in financial history. The history of this outstanding Great War achievement is told here for the first time. It is based on the official record of the British Government.

The Allies' present orderly liquidation of United States securities held by British and French investors is undoubtedly due in a large measure to the lessons learned from the operation of the American Dollar Securities Commission in the 1915-22 period.

One of the most potent weapons that Britain holds in her struggle with Germany is the tremendous resources in the form of liquid assets abroad and foreign investments of British holders. Coupled with U. S. cash-and-carry neutrality, it represents a formidable superiority over the enemy.

It is estimated by the U. S. Treasury and Commerce Departments that in August of this year over $1,600 millions of U. S. securities were held or controlled in England and $240 millions in France. The Allies have been skilfully liquidating these securities since the outbreak of war, in a manner calculated not to upset prices on U. S. exchanges. They have also had a favorable market in which to realize on foreign holdings.

In addition, England and France at the present time control approximately $800 millions bank deposits and short-term loans in the United States and the major proportion of the $1,100 millions of gold earmarked for foreign accounts at the U. S. Federal Reserve Bank.

Skilful Selling

It is evident, this soon, that England has learned its lessons from experience of the last Great War. There has been no unloading of securities held by foreign countries in New York as there was in the previous war. The process of converting U. S. securities is being carried out judiciously, with an eye to the cash-and-carry provision of American neutrality.

There is one phase of the situation in which Great Britain is particularly better off than she was in 1914. Her experience in repatriation from 1915-1918 will provide machinery, tested by actual operation, for use in the new struggle with an old enemy.

The magnitude of repatriation operations by Great Britain during the last war is one aspect of Britain's Great War efforts that has been comparatively free from criticism. She purchased for repatriation from Britons foreign securities valued at $1,083.2 millions, of which $1,007.6 millions was sold in New York through the British Government's agent.

The British Treasury was able to marshal, in addition, securities deposits of $2,191.6 millions for revenue producing purposes, to which may be added $40 millions of Canadian Pacific Railway 4% debenture stock.

Moderate Cost

Total cost of all phases of the financial mobilization was relatively small, amounting to approximately $55.3 millions, including administration and agents' costs, estimated loss on securities, and other expenses.

The task was accomplished with the loss of only $1,000 of securities. There were 2,027 different kinds of securities purchased and deposited. Of this number, 687 varieties were purchased; 967 both purchased and deposited, and 373 deposited only.

North American securities formed the major portion of securities repatriated and this phase of operations was by far the most important. The tabulation below reveals the extent of the British Government's operations. Of the American dollar securities that came into the possession of the Treasury, $888.1 millions, or 71% of the total, was purchased for resale in New York.

Dollar Securities
(On basis $5 to the £)

	Purch. $	Loan Depos. $	Total $
Bonds	680,014,940	197,856,380	877,871,320
Shares	241,317,760	303,593,880	544,911,640
	921,332,700	501,450,260	1,422,782,960
Canadian	33,259,180	136,806,720	170,065,900
U. S.	888,073,520	364,643,540	1,252,716,060

Made U. S. Creditor

The United States rôle of supplier for the Allied forces during the Great War changed the financial relationship of the United States and Great Britain. The republic went into 1914 as a heavy debtor and emerged from the war as one of the largest creditor nations in the world. Repatriation of United States foreign-held securities, both on behalf of private individuals and governments, extension of credits and loans were responsible for the extension. Liquidation of United States securities by Great Britain under the American Dollar Securities Commission was responsible for a substantial part of this conversion.

Most important of all to Great Britain was the fact that the accumulated savings of a generation, represented by the repatriated securities, were wiped out. In a nation dependent upon investments abroad for 20% of its income this was a tremendously important factor.

Immediately on the outbreak of war Great Britain moved to overcome many deficiencies of materials and armaments by purchases on the North American continent. Canada had not the capacity to supply more than a fraction of the Mother Country's needs and Britain made vast purchases in the republic to the south.

It was not until nearly a year after the war started that the British Treasury took the first step to utilize its foreign securities for financing purchases abroad and to maintain the pound sterling.

To stabilize the pound, which had been falling steadily since the outbreak of war, the Treasury in July, 1915, instructed the Bank of England to purchase American dollar securities held by British investors. To speed and expand the operations of the bank, the Treasury finally (Dec. 15, 1915) circularized insurance and trust companies, requesting them to submit lists of dollar securities which they were willing either to sell or deposit with the Treasury. A similar circular was sent to the general public on Dec. 31 in the same year.

Security holders were offered two alternatives:

Purchase—Dollar securities were bought by the Treasury at current New York Exchange quotations with sterling exchange quoted on rate for the day. In the absence of reliable quotations prices were fixed by agreement. Exchequer 5% bonds, maturing in 1920, could be taken at par plus accrued interest in lieu of cash.

Deposits on Loan—Securities were loaned to the Treasury for two years. The equivalent of bond interest or dividend yields was paid in sterling to the depositor, plus a sum equal to ½ of 1% annually on the nominal amount of the security. This feature proved to be the most costly in the repatriation scheme. Securities were registered by the Treasury and made transferable by deed. Treasury certificates negotiable on the London market were issued for each security. Depositors could release securities on deposit by paying the dollar value in New York or they could be sold and the equivalent in sterling delivered to the depositor.

Until January, 1916, the Treasury continued with this work, but at that date the American Dollar Securities Commission commenced operations. It published daily lists of 54 American securities with quotations based on current New York prices. By March 17, 1916, the Treasury had offered to purchase 256 selected securities. Large blocks were purchased from institutions.

Operations had so far been restricted to purchase of American dollar securities, but the Government required additional support and on March 24, 1916, decided that deposit of securities should commence. A booklet containing 778 securities suitable for deposit was issued. Minimum amount for deposit was set at $5,000 (£1,000). On May 16, 1916, a list extended to 909 securities was published.

Results obtained to this time were below requirements and a special plea was made for increased support on May 27, 1916. A special tax of 2s. in the pound was levied on such securities as the Treasury declared willingness to purchase, but were still held by investors. The obvious object of this measure was to penalize those who refused voluntarily to make their securities available for the nation's use.

There were certain exceptions granted where valid reasons could be advanced for not making securities available for the Treasury. Following these measures both sales and deposits increased.

On June 16, 1916, the $5,000 minimum was dropped. There were 283 agents appointed to collect the smaller amounts of securities.

On Aug. 12, 1916, the deposit agreement was changed to extend the duration of deposit to five years from March 31, 1917, subject to the right of the Treasury to return the securities any time after March 31, 1919, on three months notice.

The Treasury reserved the right to dispose of the securities, continuing interest and the additional payment until the end of the period of loan. If similar securities were not returned the Treasury agreed to pay deposit value of the securities with an additional 5% of the amount deposited or value realized, which ever was greater.

U. S. Levy

The U. S. federal income tax law, which imposed a tax of 1% on U. S. securities held by non-resident aliens added to the burden of the Treasury. Passed late in 1916 it was boosted to 2% from Jan. 1, 1917.

Powers of the American Dollar Securities Commission were considerably broadened by the Defense of the Realm (Securities) Regulations on Jan. 24, 1917. It was specified that certain securities should be delivered to the Commission by March 24, 1917. These securities became the property of the Treasury, including the right to dividends payable from the latter date.

On May 11, 1917, acceptance of securities on deposit was discontinued, but purchases were maintained.

The British Government in some cases

(Continued on page 20, col. 4)

Pulp and Paper Industry

Basic Market Conditions Unchanged

October Returns Encourage Investors, But Scandinavian Competition Remains

From Our Own Correspondent

MONTREAL.—Newsprint investors will be encouraged by the operating returns for October. Canadian production and shipments during the month were the highest reported since Dec., 1937, according to returns compiled by the News Print Service Bureau and the Newsprint Association of Canada.

Newfoundland production also was well above the past 20 months average. Shipments, however, dropped sharply reflecting difficulties in securing shipping due to conditions arising from the war.

Returns of the American mills, too were well maintained, shipments and production being above last year's level.

Small Gain in Stocks

Both Canadian and American shipments were in excess of production, but Newfoundland output exceeded shipments by 10,518 tons, resulting in a net increase of 1,470 tons in manufacturers stocks.

It will not be possible to have a complete picture of the newsprint situation for October until returns of the American Newsprint Publishers' Association are available later on in the month. However, it is possible to draw some conclusions from the mill reports.

Europe Holding Market

In the first place the expected break-down in the shipments of Scandinavian newsprint to the United States has not materialized. This was quite evident in the full returns for September, when European countries shipped an exceptionally large quantity to the American market. October imports will not be officially available until sometime next month, but the available returns for North American mills would indicate supplies are still moving freely as between Scandinavian countries and the States.

Last month production and shipments of American mills recorded practically no change. Shipments from Canadian mills to American customers registered a gain of some 7,000 odd tons, only about 3% more than in September. Newfoundland increased her shipments to the States by 3,700 tons.

U. S. Demand Keeps Up

The returns as a whole indicate that American consumption did not fall off last month; in fact probably increased the better part of 10%. As shipments from North American mills to American customers recorded only a moderate increase, expectations are that October imports from Scandinavia held up remarkably well.

The principal reason for the better showing by the Canadian mills during October was the relatively heavy increase in exports overseas; 12,600 tons, or nearly one third more than in September.

More Paper Overseas

This reflects two conditions, namely, resumption of more normal shipping and wider demand. The first reason probably had the most influence on the returns. Shipping naturally was disorganized during the previous month and a considerable amount of tonnage accumulated. This moved out during October, resulting in boosting the returns far above the level prevailing in recent months.

No break-down of overseas shipments is available at this time, so it is not possible to say if the Canadian mills are securing any additional business at the expense of the Scandinavian mills. It may be a little early for the returns to show a switching of business but, if it materializes, it should become apparent before the end of the year.

Canada Back to 1937

A minor, but nevertheless interesting, feature of the October returns was the shipment of 18,702 tons to Canadian customers. This is considerably higher than in any month since Dec., 1937; in fact, if the paper is going into direct use would indicate that requirements of the Canadian publishers are back on the 1937 level.

Still Waiting Change

When the A.N.P.A. report for October is made available sometime next week, it will be possible to obtain a clearer idea as to what changes have been effected in newsprint production and shipments as a result of the war. As indicated in previous issues of The Financial Post the September report did not show any basic change in international marketings. While it was true that both output and shipments increased, particularly to the American market, this was due primarily to an increase in consumption rather than to any change in regular marketing arrangements.

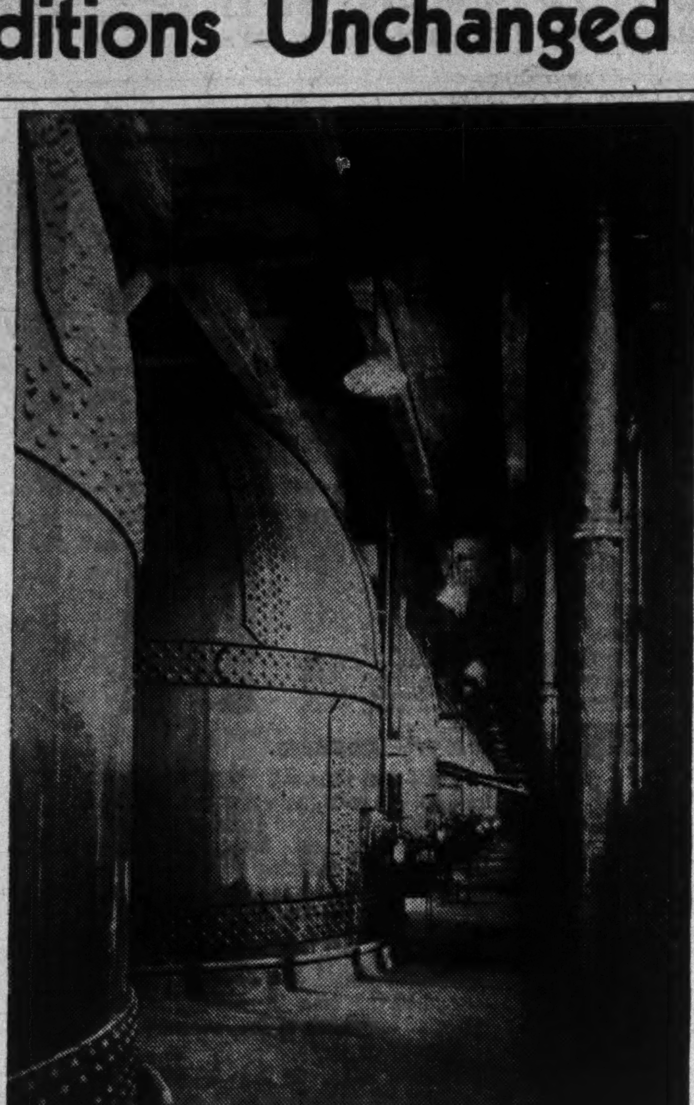
It is just possible that the complete returns for October will show a similar condition. As already mentioned the operators' statement does not give any clue as to a switching of markets from Scandinavian to North American producers. As far as consumption of paper in the States is concerned, the A.N.P.A. bulletin is expected to reveal another increase as compared with October last year. But it is doubtful if there will be shown any notable change in the distribution of the paper supplied as between the domestic, Canadian, Newfoundland and European mills.

Newsprint Mills Run at 77.5% Ratio

From Our Own Correspondent

MONTREAL.—Operating ratio of all Canadian newsprint mills in October was the highest of any month since December, 1937. According to the Newsprint Association of Canada production was equivalent to 77.5% of rated capacity compared with 72.7% in the previous month and with 72.0% in October, 1938.

These returns, as pointed out, cover all mills. The Association mills probably operated at slightly better than 70% during the past month; a level appreciably above that reported in the previous 20 months.



DIGEST WOOD

These large tanks are installed in the Kipawa mill of Canadian International Paper Co. at Temiskaming, P. Q. Wood pulp is digested in these tanks with acid to make the bleached sulphite pulp for which this mill has a capacity of 300 tons daily.

Newsprint Returns for October

	October 1939	October 1938	January-October 1939	January-October 1938
Production				
Canada	280,985	254,872	2,339,884	2,169,532
Newfoundland	29,450	23,906	251,369	212,005
United States	78,591	72,827	782,720	665,810
Total	389,026	351,605	3,373,973	3,047,347
Shipments				
Canada	289,260	255,100	2,308,713	2,026,103
Newfoundland	18,932	27,284	222,615	200,635
United States	79,364	72,203	785,380	662,325
Total	387,556	354,587	3,316,708	3,889,063
Canadian Marketings				
Shipped to:				
Canada	18,702	14,153	157,253	128,045
United States	220,595	198,889	1,770,225	1,500,390
Overseas	49,963	42,058	381,235	397,668

Mill Stocks on Hand

	Oct., 1939	Sept., 1939	Oct., 1938
Canada	192,609	200,884	196,283
United States	15,923	16,696	18,590
Newfoundland	83,189	72,671	54,037
Total	291,721	290,251	268,910

Newsprint Mill Capacity Ample for Present Needs

From Our Own Correspondent

MONTREAL.—Canada's newsprint mills have an annual rated capacity of 4,293,361 on a 308-day operating basis. It does not follow that the Dominion can produce that much tonnage. This figure was arrived at as a result of the best performance of the mills over a comparatively short period. Consequently 4,293,361 tons represent the theoretical rather than the practical capacity of the industry.

The largest volume of newsprint ever produced in this country was in 1937 when output totalled 3,647,800 tons. This represented 93.9% of the 3,883,000 tons of available capacity in that year. The rise in capacity since then has been due to new machine installations and refinements in operation. During the first eight months of this year the country produced 1,805,669 tons or 63% of capacity. There is still plenty of capacity to take care of a fairly broad expansion in demand.

Because of the wider interest in newsprint operations, the list of mills, number of machines and daily and annual rated capacities have been revised and published below. The productive capacity of the various companies is estimated but is believed to be reasonably accurate.

(All capacity figures in tons of 2,000 lb.)

Operator	No. of Machines	Estimated Rated Daily Capacity	Estimated Annual Capacity
Abitibi:			
Soo	4	2,275	704,000
Sturgeon (closed)	3		
Espanola (closed)	6		
Manitoba	2		
Ste. Anne	2		
Thunder Bay	2		
Iroquois Falls	7		
Fort William	2		
Anglo-Canadian	4	560	178,640
Bathurst	1	78	24,000
Beaver	1	77	24,000
Booth, J. R.	3	160	49,280
C. I. P.:			
Gatineau	5	2,150	662.200
Three Rivers	8		
Dalhousie	4		
Consolidated:			
Belgo	8	2,180	671,440
St. Maurice (closed)	4		
Laurentide	9		
Port Alfred	4		
Wayagamack	2		
Donnacona	3	275	84,700
Eddy, E. B.	5	140	43,120
Fort Francis	3	300	92,200
Great Lakes	2	350	107,800
Kenora Paper	2	275	84,700
Lake St. John	2	350	......
Mersey Paper	2	325	100,100
Maclaren, James	2	300	92,400
Murray Bay	2	120	36,960
News Pulp	1	40	12,320
Ontario Paper	7	725	223,300
Pacific Mills	3	300	92,200
Powell River	7	700	216,600
Price Bros.:			
Kenogami	7	1,050	329,560
Riverbend	4		
Jonquiere (closed)	1		
St. Lawrence Corp.:			
St. Lawrence Paper	6	460	180,000
Brompton	2	239	73,612
Spruce Falls	4	150	46,200

NEWS PRINT ASSOCIATION OF CANADA—OFFICIAL RETURNS

Production Capacity of Canadian Industry

	Operating Days	Annual Capacity
1937	309	3,883,000 tons
1938	309	4,304,200 tons
1939	308	4,293,361 tons

IDLE CAPACITY	ANNUAL TONNAGE
Abitibi: Espanola and Sturgeon	146,300
Consolidated: St. Maurice Valley	86,040
Price Bros.: Jonquiere	10,780

Brokers' Loans Reflect Greater Stock Activity

Collateral borrowings of members of the Montreal and Toronto stock exchanges as at the end of October again reflected the greater stock market activity and higher prices. Loans carried by members of both exchanges showed further rise.

At $11.4 millions, loans of Montreal brokers were up $1.4 million from the end of September which month in turn had shown a gain of $180,000 from August.

In Toronto, borrowings of members of the exchange amounted to $15.9 millions at the end of October, a gain of $730,000 from the previous month and up $1.5 million from August figures.

As market values of listed stocks have also gained substantially during this period, the ratio of borrowings to total values of listed stocks remains at the recent low figure. Quoted market value of all stock listed on the Toronto exchange was $4,936.4 millions at Oct. 31, a gain of $305.9 millions from a month earlier, and leaving the ratio of brokers' loans to total value .32%.

Dryden Paper Plant at Capacity

Wide Demand in West for Products — Price Up on Kraft

From Our Own Correspondent

MONTREAL. — Continuation of capacity operations, which set in at the beginning of September, is reported by Dryden Paper Co. Demand in the middle west for wrapping paper, bags and sheathing paper, which comprise Dryden's principal products, has reached such levels that the company is experiencing difficulty in meeting the requirement of its regular customers.

In addition to the demand for its paper products, the company reports that the rise in the price of kraft pulp has resulted in larger revenues from the sale of its surplus kraft.

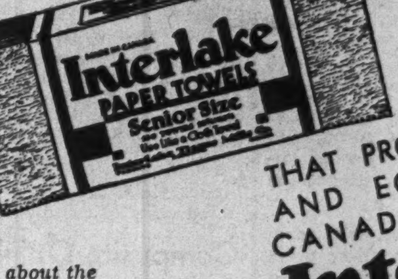
Dryden's financial statement for the year ended September 30 last, which will make its appearance shortly, will not reflect the recent improvement in conditions. The report, it is stated, will show earnings slightly lower than those of the previous year, when the company's net revenue was just short of meeting full interest, depreciation and depletion charges.

British Publishers Curtail Circulation

From Our Own Correspondent

MONTREAL.—British publishers announce that henceforth only definite sales orders for subscriptions for their publications will be filled for the Dominion, colonies and foreign countries. This move has been made necessary by wartime need of conserving paper stocks.

Newsdealers will not be allowed returns for unsold copies, with the result that surplus shipments will be cut to the minimum to avoid loss. Readers must pay for their orders in advance to ensure getting the periodicals.


Ask about the Interlake Vertical Dispenser

A CANADIAN PRODUCT THAT PROMOTES HEALTH AND ECONOMY FOR CANADIAN BUSINESS

Interlake
TISSUE MILLS CO., LIMITED
Toronto, Canada

THE ONTARIO PAPER COMPANY
LIMITED
Mill and Head Office—Thorold, Ontario.
Together with its wholly owned subsidiary
The Quebec North Shore Paper Company Limited
Head Office—680 Sherbrooke St. W., Montreal, P.Q.
Mill at Baie Comeau, P.Q.
Manufacturers of Newsprint for
THE CHICAGO TRIBUNE
THE NEW YORK DAILY NEWS

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

As Others See Us

Canada's Defense Contracts

Renting a Building

Treherne Times, Manitoba

The Financial Post makes much of the fact that the Dominion Government recently rented a building in Montreal to be used as the headquarters for a military unit, paying in rent a total of $237,000 for the ten-year period of the lease.

Aside from the fact that it would not seem necessary to rent high-priced buildings in the business sections of cities to house headquarters of military units, what gets "under the skin" of The Financial Post in this matter is the fact that the owners of this building recently acquired it at a purchase price of $62,500. It now collects rent for it at the rate of $23,700 annually, the lease to the Government running for ten years at this rate.

Patronage Must Go

Halifax Chronicle

The recent broadcast by the Prime Minister presented an interesting picture of the national war effort. It serves to show the complexities of the problem and the Government's attempts to handle them systematically. There is much in the presentation to commend.

It is difficult, however, to agree with the suggestion that far-sighted officialdom in Canada had the country as well prepared for war as the Prime Minister would suggest. The defense department, as previously constituted, was a source of grave misgivings. The Chronicle had occasion more than once to voice criticism. But the Government was hesitant in making changes and reforms. That hesitancy must remain as a reflection of our preparedness activity.

The people of this country, willing as they are to make sacrifices for the sake of victory, are in no mood to tolerate inefficiency, stupidity, or worse in government operations. Signs of patronage, favoritism, or graft would invite the most violent condemnation.

Unsound Practices

Springhill Record

It has taken a war to show us some of the unsound practices which are permitted to exist in the conduct of public affairs and the public is indebted to The Financial Post and other MacLean publications for the direct and fearless method they have adopted in exposing some of the things the people of this country should know.

The Maclean's article, written by Col. George Drew, which drew public attention to the Bren gun contract, although later whitewashed (or was thought to have been whitewashed) by a parliamentary committee, resulted in great changes in the contract and was ably defended by the publication.

After that episode it was to be expected that a closer contact would have been kept on the Department concerned, but in its issue of September 30, 1939, The Financial Post has brought to light the awarding of a munitions contract to a firm of three insurance brokers (without a plant) at a price which shows they were one cent per unit under the lowest tender supplied by legitimate manufacturers. This, of course, may be just a coincidence, but one may draw their own conclusions as to that. When a legitimate manufacturer is underbid by one cent by men whose business it is to sell insurance, it is more than a coincidence.

The change in the Defense Department did not come any too soon if The Financial Post charges are right—and they have not yet been denied. The country will have confidence in the Hon. Norman Rogers, the new Minister of Defense, and will be ready to lend him every support—but a few more charges similar to those published in the Toronto paper will do much to undermine the confidence of the whole country.

A Public Service

Tweed News

Hon. Ian Mackenzie, former Minister of Defense in the Federal Cabinet, has come in for his share of criticism within recent weeks and if the latest exposé is any example, it is little wonder that he was replaced.

It has been revealed that the Federal Government rented a building bought for $62,500 by the York Realties of Montreal, paying $23,700 annually, a total of $237,000 over the ten-year period for which it was leased. The Financial Post submits that this lease should immediately be cancelled.

The British Government has determined that every dollar of public money should be wisely spent and that inefficient management and political and personal favoritism, should be eliminated. Canada should take similar steps.

The Financial Post has been criticized in some quarters for exposing some of the deals made by Mr. Mackenzie, but most people will feel it is performing a public service in continuing its campaign.

War Contracts

Engineering and Contract Record

At the end of June, 1939, according to the Financial Post, a contract was let by the Department of National Defense for the manufacture and supply of a quantity of a certain type of article required for the training of one of the Dominion's fighting services. The contract was awarded to the Interprovincial Equipment Company, a partnership of three insurance brokers, who, according to credit agency reports, have no plant for manufacturing. It is significant that two of the three who constitute this company were active "party" men. It is also significant that the figure for which they obtained the contract was one cent per unit lower than the nearest bid of a bona fide manufacturing concern.

That contract, as stated previously, was awarded three months ago. Now we have a War Supply Board, and every reason in the world to believe that repetition of such tactics will not be countenanced.

We are hopeful that the War Supply Board will start off a long and auspicious career by looking into all contracts awarded in the not far distant past, and where such contracts are tainted with partisanship, have no hesitancy about cancelling them and reawarding them to legitimate manufacturers.

High Rent Received

Waterloo Chronicle

The Prime Minister and members of his cabinet with one voice, and Canadians of every class and occupation have been constantly warning and protesting against profiteering, hoarding or in any way using war conditions to their personal advantage. The press and a section of the pulpits have endorsed all that is said in condemnation of that which it is held prevailed in the Great War. All of which is to the good. But there are evidences that the warnings are not being heeded, even by the Defense Department.

A recent issue of The Financial Post gives prominence to a transaction which, if the circumstances be correct, certainly deserves the attention of the Government. The facts of the transaction referred to are: York Realties Limited, of Montreal, with Geo. Rabinovitch, as president, bought a piece of property in that city for $62,500. That was in Oct., 1937. Two months later the company leased the property to the Department of National Defense for ten years (the company to make certain repairs) for $23,700 a year or $237,000 for the ten years.

The new Minister of National Defense, Mr. Rogers, is confronted with a clear duty. He should order a complete investigation of the transaction. And the people will support those who make the demand.

Insistent Demand

New Westminster British Columbian

There is insistent demand from the independent press of Canada for the cancellation of improvident contracts, made by the military branch of the Mackenzie King Government. Cancellations are not unknown to this department, but these operations have been confined mainly to the humble ranks of pensioners.

Following up the scandalous story of the rental of a warehouse at Montreal, The Financial Post asserts that there is reason to believe "that many other equally costly and improvident contracts were let by this same department when it was under the misdirection of Hon. Ian Mackenzie. They are contracts which hinder Canada's war effort; make it more difficult to achieve our pay-as-you-go policy. Such contracts should be carefully investigated. The minister under whose direction they were negotiated should be removed entirely from a position of public responsibility."

These Are Serious Charges

St. Thomas Times-Journal

Conservative Leader Manion's charge that political patronage and favoritism continues in Canada's war work will undoubtedly be gone into carefully. In this connection, however, it may be mentioned that The Financial Post, in an effort to strengthen cabinet leadership by drawing upon Canada's best executive brain power irrespective of political considerations, has revealed several "incidents" to show laxity (or worse) in Ottawa administration circles.

While clearing up the Manion allegations these quite serious charges should receive attention. There was so much talk in the last war about profiteering the people look for things to be done right this time. The slightest suspicion of graft and favoritism will mean a letting down of wartime effort.

Regent Knitting Settles Strike

Company Is Working on Orders for Dominion Government

From Our Own Correspondent

MONTREAL.—Operations of the St. Jerome plant of Regent Knitting Mills Ltd. are back to normal, the strike of 500 employees having been settled.

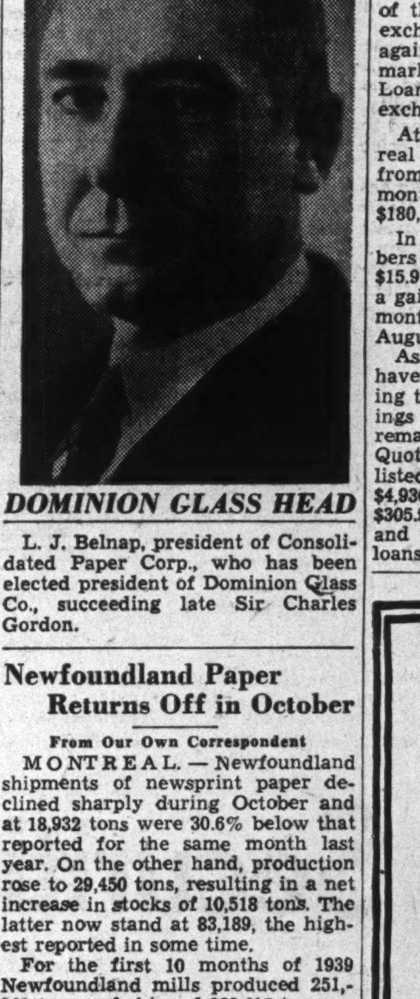
Under the settlement agreement, all those who went out on strike will be re-employed by the company. A period of 60 days is sent for final settlement of differences between the company and its employees. The company has agreed to recognize the Regent branch of the National Catholic Syndicate of Knitting Workers.

In calling the strike, the union sought not only recognition of their organization, but adjustments in working conditions, hours and wages.

According to C. G. de Tonnancour, president, the company has several important government contracts which are being filled as rapidly as possible, and also a large volume of civilian orders, a lot of which are ready to ship.

GAS CO. MEETING

Because of the death of Thomas Bradshaw, president of Consumers' Gas Co., the company postponed shareholders' annual meeting to Nov. 27 from Nov. 13.



DOMINION GLASS HEAD

L. J. Belnap, president of Consolidated Paper Corp., who has been elected president of Dominion Glass Co., succeeding late Sir Charles Gordon.

Newfoundland Paper Returns Off in October

From Our Own Correspondent

MONTREAL. — Newfoundland shipments of newsprint paper declined sharply during October and at 18,932 tons were 30.6% below that reported for the same month last year. On the other hand, production rose to 29,450 tons, resulting in a net increase in stocks of 10,518 tons. The latter now stand at 83,189, the highest reported in some time.

For the first 10 months of 1939 Newfoundland mills produced 251,369 tons and shipped 222,615 tons.

Abitibi Denies Plans For Reopening Espanola

Reports from Montreal that Abitibi Power & Paper Co. is considering plans for modernization and improvement of its Espanola mill for the manufacture of sulphite pulp are denied by G. T. Clarkson, receiver and manager who says that he has "never heard of it." Apparently the story originated from the increased demand for sulphite pulp in recent weeks and the fact that this mill, generally regarded as an inefficient newsprint plant, has been idle for several years.

Canada's Railways Handle More Pulp and Paper

From Our Own Correspondent

MONTREAL. — Pulp and paper shipments on Canadian railways during the week of Nov. 4 were roughly 25% greater than in the same period a year ago. The Bureau of Statistics reports 2,529 cars were loaded, as against 1,918 cars in the week of Nov. 5, 1938.

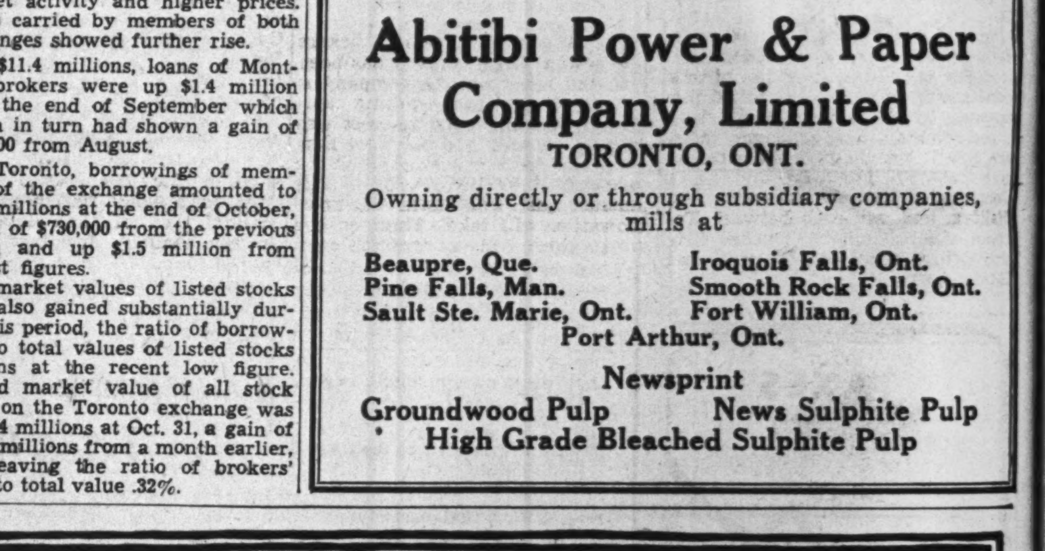
Cumulative returns for the current year to date show 76,494 cars of pulp and paper products have been loaded on Canadian lines, as against 67,153 for the like period of 1938.

Montreal Stock Values Advance During October

From Our Own Correspondent

MONTREAL. — Securities listed and traded on the Montreal Stock Exchange and Montreal Curb Market last month had a value of $7,182 millions. This compares with $6,832 millions in September, but a decline of $341 millions from the Oct., 1938 total.

A breakdown of the returns shows that 18 of the 21 classifications advanced. The largest gains were shown by the oil groups, followed by base metals and miscellaneous mines, gold mines, banks, financial companies, breweries and distilleries and utilities.


Rugged Individualism

They were splendid people who pioneered in Canada . . . enduring, hardy and able to do many things well. Colonial Bond named for them, perpetuates their rugged individualism. It, too, is tough and enduring for it comes from staunch, rag-content stock. And Colonial Bond has beauty and distinction . . . expressed in three fine surface finishes . . . in its crisp texture and smart colour variety. Business finds the versatility of this moderately priced, rag-content bond a valuable asset . . . for distinguished Letterheads, Office Stationery and such important documents as Fire Insurance Policies.

COLONIAL BOND

See the "Cold Pressed" Finish in Colonial Bond. It has the beauty and dignity of an expensive paper; the impressive richness that makes its moderate cost surprising. (We will gladly send samples on request.)

ROLLAND PAPER
COMPANY LIMITED
HIGH GRADE PAPER MAKERS SINCE 1882
MONTREAL
Branch Office, TORONTO, Ont. Mills at ST. JEROME and MONT ROLLAND, Que.

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select lists of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

Winnipeg Electric

Would you give me a report on the series "B" general mortgage bonds of Winnipeg Electric Co.?

As is indicated by their price, the series "B" general mortgage bonds of Winnipeg Electric Co. are considered somewhat speculative. Up to 1947, interest is payable only if earned.

On the basis of experience since reorganization the company would seem able to earn the interest on the series "B" bonds. In 1938 the company earned the series "B" interest 1.16 times after depreciation and other fixed charges.

In the current year there has been improvement in the position of the company. Net earnings in the first nine months were $173,797 higher than in the same period of 1938, indicating that series "B" interest will be earned.

Can. Invest. Fund

I would like to have a report on Canadian Investment Fund.

Canadian Investment Fund, on Nov. 1, paid its twenty-seventh consecutive dividend, bringing total for the current year to 16 cents a share, the same amount as paid in 1938.

Price of the shares of the trust is controlled by the value of the investment portfolio, and fluctuates with the trend of the stock market.

On Sept. 30 last, per share net asset value was 11.2% higher than on June 30, 1939, and 4.62% higher than on the corresponding date last year. Total net assets, with securities valued at market, increased by more than $1.5 million in the quarter ended Sept. 30. The quoted market value of investments as of Sept. 30 was $962,890 higher than cost, as compared to $164,820 below cost on June 30.

The policy of the trust has been to invest in Canadian and U. S. securities. As an investment in a diversified list of Canadian and U. S. securities, the stock of Canadian Investment Fund is not without attraction.

Saint John Dry Dock

Do you regard the preferred shares of Saint John Dry Dock and Shipbuilding Co. as a sound investment?

Preferred shares of Saint John Dry Dock and Shipbuilding Co. have a good investment rating, although perhaps not enjoying as wide a market as could be desired. The subsidy payment more than covers annual charges for interest and depreciation. Excluding these items, earnings for the year ended Dec. 31, 1938, were $40,142, equal to twice preferred dividend requirements. On the same basis, average earnings over the 11 years from 1928 to 1938, inclusive, would have covered present preferred dividends 2.17 times. Outlook for the company is favorable, especially in view of the prospective shipbuilding orders for Canada.

Assoc. Breweries

I should like to have your views on the preferred and common shares of Associated Breweries. Will the company be able to maintain common dividends?

Preferred shares of Associated Breweries are well regarded. The preferred dividend is earned by a wide margin and has been paid regularly.

Earnings may be affected adversely by the war. Increased taxes are likely to take their toll. Of course, it is impossible to say to what extent earnings will decline, if any.

Prospects are the company will continue to pay common dividends.

Canadian Vickers

Would you be kind enough to let me have your views on the position of Canadian Vickers' bonds and the outlook for same?

The outlook for Canadian Vickers is somewhat better than it has been in recent years, but the company is in need of additional working capital. To that end bond interest was recently deferred and plans are now being laid for reorganization of the company. It is difficult to say at this juncture just what form the reorganization will take. There is one group which believes that the company should not have any fixed charges and to that end favor replacing the bonds with income securities. Others feel that as the subsidy under the Drydocks Act was pledged as collateral to the bonds, the holder of the latter should demand full payment of interest up to the extent covered by the subsidy, namely, about 4%. However, there seem to be a number of differing views and it is difficult to say at this time what form of compromise will be reached. With Canada's war efforts on a large scale, it is more than likely that Canadian Vickers will secure a large volume of business which should place the bonds in a stronger position. On the other hand, without this war business, it is difficult to see how the company can continue to carry a debt structure such as exists.

Canada Steamships

What do you think of the common shares of Canada Steamship Lines as an investment?

The common stock of Canada Steamship Lines is a speculation. Operations in the current year have not been as good as might have been expected, because of the small volume of grain traffic. However, the outlook for next year is promising as there should be larger grain movements in 1940. Furthermore, the company should receive additional traffic as a result of the increased business activity arising out of war orders. Its shipbuilding division should receive some of the orders for ships which are to be placed in Canada.

Soo Line Bonds

Included in my father's estate are two 4% first mortgage bonds of Minneapolis, St. Paul and Sault Ste. Marie Railway, which fell due July 1, 1938. What prospects are there of these bonds being paid off?

Outlook for the 4% first consolidated mortgage bonds of Minneapolis, St. Paul & Sault Ste. Marie Railway Co., which fell due July 1, 1938, is not very bright. Interest on these bonds was guaranteed by the Canadian Pacific Railway and the C.P.R. states its guarantee expired with the maturity of the bonds. Some bondholders claim the C.P.R.'s liability for bond interest continues until principal is repaid and have taken court action.

It is impossible to say what the ultimate outcome of the dispute will be. Legal advisors have advised the C.P.R. that it has no further liability. Financial circles are also inclined to this view as is indicated by the price of the bonds.

Financial results of the Minneapolis, St. Paul & Sault Ste. Marie Railway in recent years indicate there is little hope of the first mortgage bondholders recovering a substantial part of their investment. Income available for fixed charges in 1938 amounted to only $763,120 as against fixed charges of $7,401,430. Reorganization of the company is pending.

Extend Telephone Lines Serving Maritime Area

From Our Own Correspondent

MONTREAL.—Two new talking channels have been placed in service between Montreal and the Atlantic seaboard, according to an announcement by the Bell Telephone Co. of Canada. The new lines form part of the eastern section of the Trans-Canada Telephone System and were made necessary due to a substantial increase in traffic between central Canada and the Maritimes.

Early last year, when it became evident that there was a steadily increasing need for additional facilities, New Brunswick Telephone Co. and Bell Telephone Co. began the erection and rehabilitation of a 90 mile section of line between Quebec City and Edmundston. Completion of this construction work has permitted the opening of the new section.

Including the new additions, there are now 11 circuits to the Maritimes: five between Montreal and Saint John, three between Montreal and Halifax, and one each between Toronto and Saint John, Quebec City and Edmundston, and Montreal and Edmundston.

Value of British Imports Up But Volume Cut in Last War

Contrary to the general belief, war sometimes results in a country importing less than in peacetime, even when trade routes are kept fairly open.

A comparison of British trade figures for the years 1913 to 1918 shows that while values in almost every case increased substantially the volume in many cases declined.

Comparison of 1913, the last peace year before the last war, with 1917, the last full year of war, shows that value of wheat imported into the United Kingdom increased over 90% to more than £84 millions. But actual volume declined 14% to 91 million cwt. On the other hand, imports of wheatmeal and flour increased almost 200% in value to £18.4 millions and the volume also rose to 14.3 million cwt. from 11.9 million, or 20%.

Imports of beef, including chilled and frozen varieties, rose in value to over £24 millions from £16 millions, an increase of about 50%. while the actual weight of the imports declined to 6.1 million cwt. from 9.2 million or approximately 33%.

Imports of motor spirit or gasoline showed a substantial increase in volume as well as value.

A comparison of the 1913 figures with the average for 1915, 1916 and 1917 shows that while imports of wheat declined by 11% imports of meat and tea fell only 2% each, showing that John Bull, war or no war, was bound to have his roast beef and his cup of tea.

Comparative figures of some of the items of special interest to Canadians follow:

BRITISH IMPORTS, 1913 to 1918

		1913	1914	1915	1916	1917	1918
		—000's omitted—					
Wheat	cwt.	105,878	103,926	88,667	100,070	91,435	57,947
	£	43,849	44,734	57,306	72,012	84,506	53,097
Wheatmeal and flour	cwt.	11,978	10,060	10,482	9,960	14,339	26,350
	£	6,347	5,549	8,310	8,568	18,469	35,682
Beef	cwt.	9,200	8,899	8,599	7,051	6,121	7,587
	£	16,063	19,064	25,833	23,032	24,019	36,081
Bacon	cwt.	4,857	5,098	6,523	7,435	6,567	10,473
	£	17,428	18,225	25,441	34,381	41,409	90,381
Cheese	cwt.	2,297	2,433	2,726	2,604	2,946	2,357
	£	7,035	7,966	11,107	12,945	19,462	15,905
Potatoes	cwt.	9,427	3,358	2,170	1,788	1,598	1,015
	£	2,589	1,535	1,187	1,518	1,500	1,044
Fish	cwt.	2,686	2,254	1,990	1,862	2,199	1,731
	£	1,659	1,477	2,352	3,166	3,656	4,276
Tea	lb.	365,043	371,932	431,220	377,686	241,962	463,628
	£	13,782	14,221	19,578	17,745	14,708	28,995
Tobacco	lb.	162,365	158,692	202,650	164,265	46,543	171,629
	£	6,709	6,449	7,528	6,458	3,000	15,084
Hides	cwt.	1,453	1,392	1,810	1,370	1,622	1,645
	£	5,847	5,931	8,475	7,483	11,766	11,925
Wood pulp, wet	tons	536	551	540	451	174	109
	£	1,263	1,273	1,499	1,869	1,689	1,346
Gasoline	gals.	100,858	119,030	144,574	161,410	139,270	192,859
	£	3,803	4,301	5,249	9,974	11,024	18,426
Wool, raw	centals	8,063	7,171	9,344	6,248	6,288	4,205
Rubber, crude	centals	1,574	1,515	1,760	1,684	1,755	1,049
	£	20,524	15,844	19,592	22,996	23,781	12,172
Copper	tons	104	147	174	108	140	203
	£	7,345	9,121	13,249	13,065	18,541	24,371

Industrial Alcohol Increases Dividend

From Our Own Correspondent

MONTREAL.—An increase in the dividend on the class A and B stock from 10 to 15 cents a share is seen in the announcement by Canadian Industrial Alcohol that it will pay the latter dividend on Nov. 30 to shareholders of record Nov. 20. The last previous statement was 10 cents a share in Nov., 1938, which had been the first distribution by the company since 1930.

Hart Battery Co. Pays Extra on Common

From Our Own Correspondent

MONTREAL.—Hart Battery Co. has declared a dividend of 10 cents and an extra of 10 cents on the common stock, payable to holders of record Nov. 30 on Dec. 15. As there are 50,000 shares issued, the dividend and bonus will call for distribution of $10,000.

Canada Wire Declares Dividend on "B" Stock

From Our Own Correspondent

MONTREAL.—Canada Wire and Cable Co. has declared an interim dividend of 25c. a share on the Class "B" stock payable Dec. 15 to shareholders of record Nov. 30. The last previous payment amounted to 25c. paid on March 15, 1939.

INVESTMENT REPORTS

Investors may study companies in which they are interested and follow their operations by securing The Financial Post Corporation Service reports. These complete reports may be obtained by themselves, or with a follow-up news service which supplies current information on operations throughout the year.

Individual reports cost $1 each. Individual reports plus the follow-up news service may be secured on any Canadian companies you select at the rate of $1.25 per company per year for 1 to 9 companies and $1.20 per company for 10 or more companies

The Financial Post Corporation Service reports are recognized as the most complete on Canadian companies—and they are authoritative. These reports give full particulars on the set-up and securities of a company, its dividend record, stock market record, earnings per share for the past 10 years and comparative balance sheets and earnings statements for a 7 year period, if available.

Please send cash with order.

THE FINANCIAL POST CORPORATION SERVICE
481 UNIVERSITY AVENUE TORONTO, CANADA

Housing Finance Aids Bolster Building Total

N. H. A. October Loans Show Continued Gain Over 1938

Despite decline in October total of all residential construction in Canada, volume of work financed under the National Housing Act continued to hold above last year's level.

The October loans, however, showed a percentage of gain (3.4%) over October, 1938, considerably smaller than the comparative gains recorded for some months past. October also saw a decline of 11% in Home Improvement Plan loans, which have also been holding well above 1938 volume.

The decline in Housing Act loans is partly due to war-inspired restriction of building activity, but is also traceable to some extent to the increased proportion of loans for single-family dwellings especially in the low-cost field. While the gain in amount of loans was relatively small, the number of loans approved increased 42% over October, 1938. Of the 435 loans approved, only three were for duplexes and three for multi-family dwellings, the remainder (98.6%) being for single family units.

More than 90% of the loans during October involved amounts not over $4,000 per housing unit (houses and apartments), and over half the units were financed by loans of $2,500 or less. The month saw approval of 113 loans involving 90% mortgages, for dwellings with total cost of not more than $2,500. Early in November, announcement was made of the 1,000th 90% loan since this form of financing homes for owner-occupancy was inaugurated in August, 1938.

$40 Millions For Labor

October total of N.H.A. loans was reported at $1,312,974, compared with $1,269,009 for the same month last year. This brings cumulative total of Housing Act loans to $45,115,842. It is estimated that this has facilitated total outlay on residential construction (excluding land costs) of $50 millions, of which $40 millions has gone for labor involved in manufacture, distribution and erection of materials.

Home Improvement loans in October totalled $1,360,907, compared with $1,531,463 in October, 1938. Cumulative total of H.I.P. loans since November, 1936, stands at slightly over $37 millions.

90% Mortgages

A special bulletin of the Dominion Department of Finance on the 90% mortgage loans shows that an overwhelming majority of such loans have gone to persons of small or modest income. Borrowers are engaged in over 50 different occupations, including factory workers, cooks, steamfitters, salesmen, truck drivers, teachers and artists.

Of the 1,000 borrowers of 90% loans up to early November, 80% had incomes not exceeding $125 a month, 397 earned not more than $100 a month, and only 66 had incomes above $150 a month.

North York Leads

The largest number of loans in any one community was 196, in North York township, Toronto suburban district. Also high up on the list are Hamilton, Ont., 104; East York (Toronto), 89; Vancouver, 63. Most of the dwellings financed by 90% loans are of the one-story and bungalow type, with basement, the great majority of four or five rooms. A few have six, seven and eight rooms, and two have only three rooms.

The 90% loans are available only for houses built for owner occupancy where the appraised cost is not more than $2,500 (including lot). The borrower must provide a 10% equity of $250 in the form of a lot, cash or combination of the two, and pays only $14.71 a month for interest and principal on a 20-year amortization basis. The monthly payment is usually increased by adding one twelfth of annual taxes, which incidentally can be reduced by the tax remissions provided under Part III of the Housing Act.

PRESIDENT

John H. Carson, of the firm of John Gordon & Son, Montreal, has been elected president of the Dominion Commercial Travellers Association.

Acadia Apts. To Reorganize

Scheme Submitted Will Reduce Debt Principal and Interest

From Our Own Correspondent

MONTREAL. — Failure to maintain interest payments has caused Acadia Apartments Ltd. to bring forward a plan of reorganization. The scheme, which will be voted upon on Dec. 11, calls for a reduction in the bonded debt of the company and a lowering of interest charges.

Acadia Apartments failed to meet sinking fund payments on its first mortgage bonds on Sept. 1, 1931. Subsequently it defaulted the interest coupon which fell due March 1, 1933. Since then the company has paid one coupon a year, but the payment due on Sept. 1 last was passed.

Provisions of Plan

Under the plan the first mortgage bondholders will receive in place of each $500 bond now held: $20 in cash, 15 shares of reorganized capital stock, and a new bond for $300 carrying interest at 4% from Sept. 1, 1939, and maturing Sept. 1, 1959; all interest due and unpaid being cancelled. The new bond issue will be limited in aggregate principal amount to $459,600 and will have the same security as the existing bonds.

For each $500 principal amount of second mortgage bonds, the holder will be given 10 shares of no par value common stock.

For each 10 preferred shares, the holder will receive two shares of common, and for each 10 common shares, one new share will be given.

At present the company has outstanding 4,000, 7% cumulative preference shares and 2,000 common shares with par value of $100 each. It is proposed to cancel $99 of the par value of each preferred share, and $99.50 of the common shares. The present common will be converted into 1,000 shares, of which 800 shares will be issued to former holders of preference stock and 200 shares to the former holders of the common stock.

Further, the capital stock of the company will be increased by the creation of 26,484 additional shares without par value. Of this number, 23,484 will be distributed to holders of the first mortgage bonds and 3,000 shares to the second mortgage bondholders.

The proposed new capital setup will be as follows: $469,680 of 4% first mortgage bonds and 27,484 common shares of no par value.

Seafoods Project Given Approval

Dominion Office Approves Agreement With Nfld. Government

The draft bill confirming the agreement between the Newfoundland Commission of Government and General Seafoods Corp. of Boston has been approved by the Dominions Office of the British Government. Agreement provides for establishment of a fish processing plant in Newfoundland. Negotiations have been carried on for more than two years.

Under the agreement a fishing plant is to be established on the south coast, known as the treaty coast, from which point it will be possible to make shipments into the U. S. free of duty.

Outlook for Newfoundland's fishing industry has improved somewhat, especially in view of price advances since the outbreak of war.

To date, however, there has been no marked change in the export situation. Expectations are that the shore catch will be disposed of with little difficulty, but the Labrador catch is a problem as the market for this type of fish is more restricted.

One result of the recent advance in prices is a reduction in the amount the Government will have to pay under its guarantee of minimum prices to fishermen.

An encouraging factor is the receipt of an order from Great Britain for two million pounds of frozen cod fillets and one million pounds of round codfish for delivery during the winter months. Additional orders may be forthcoming.

Winnipeg Electric Co. Power Sales Increase

From Our Own Correspondent

MONTREAL. — Increased power sales of Winnipeg Electric Co. are reflected in current operating revenues. In recent weeks there has been a marked demand for all grades of services, particularly in the industrial power load, which shows a healthy increase over that reported a year ago. Domestic, commercial and sales to the tramways system are also on a higher basis.

Last month the company had a gross income of $564,302 and net earnings of $229,750. This compares with $518,483 and a net of $204,588 a year ago.

For the nine months ended Sept. 30, Winnipeg Electric's gross earnings totalled $5,067,380, an increase of $251,943 over the same period last year. Operating expenses were up only about $78,146, leaving net earnings of $2,126,743. This compares with $1,953,943 a year ago.

CANADIAN SECURITIES

Dominion and Provincial
Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing

DOMINION SECURITIES
CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1938), $11,074,577
Capital (Fully Paid), $2,000,000 Reserve Fund, $2,400,000

The WESTERN SAVINGS and LOAN ASSOCIATION
HEAD OFFICE: WINNIPEG, MANITOBA
OFFICES:
Agency Building - - - - - - Edmonton, Alta.
221A 8th Ave. W. - - - - - - - Calgary, Alta.
McCallum-Hill Building - - - - - Regina, Sask.
411 Avenue Building - - - - - Saskatoon, Sask.

THE EXPERIENCED EXECUTOR is thoroughly familiar with all details of business that may arise in the conservation and administration of the assets in an Estate. Let us tell you the advantages of choosing a corporate executor.

CAPITAL TRUST
Corporation Limited
MONTREAL OTTAWA TORONTO

Faith in Canada's Future

To lend money on Canadian real estate away back in 1855, when this Corporation was first established in business, required more than good judgment—it required faith. The future of Canada was obscure. Never in the years that have followed has that faith wavered. It governs the Canada Permanent policy to-day.

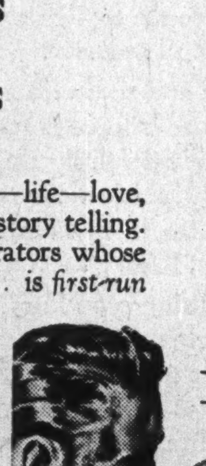
CANADA PERMANENT
Mortgage Corporation
Head Office
320 BAY ST. - TORONTO
Assets Exceed $69,000,000

Life's Labour Lost

Many men spend their lives creating an estate only to have it dissipated after their decease, through appointing inexperienced executors. Assure the permanent protection of your dependents by appointing an enduring, efficient trust company.

MONTREAL TRUST
Company
Montreal Trust Building
61 Yonge Street Toronto
Toronto Office:
J. F. HOBKIRK, Manager

Need
ENVELOPES?
PHONE
DOMINION ENVELOPES LTD
We have them
all Kinds
ELGIN 7271



When "Boy meets Girl" in Chatelaine's colorful pages

. . things begin to happen! Here is romance—life—love, deftly handled by experts in the magic art of story telling. Here are new, heart-quickening tales by narrators whose names are famous. Here . . in other words . . is *first-run fiction by the world's best authors!*

With the women of Canada's more substantial families, Chatelaine is famous for its fiction. In every community from Cape Breton to B.C. readers acclaim not only this magazine's general articles, together with its housekeeping—beauty culture—"Your Home"—and other regular departments, but also the superb work of its gifted coterie of story-writers.

Numbered among this brilliant group are such famous personages as I. A. R. Wylie—Reita Lambert—Martha Ostenso—Arthur Stringer—Margaret Sangster and May Edginton. The names of these contributors alone guarantee Chatelaine readers fiction that lives and will live—fiction that is unsurpassed in quality by any publication anywhere.

To you, as an advertiser, this fact is of major importance. It means a spontaneous, eager "reader interest" in this publication's editorial contents. And so it means maximum attention for your sales messages in Chatelaine!

CHATELAINE
481 University Avenue, Toronto
Montreal • London, Eng. • New York • Chicago
canada's most interesting women's magazine

THE
WAWANESA
Mutual Insurance Co.
— ORGANIZED IN 1896 —
Assets $2,234,188.78
Surplus .. 1,057,853.38
Dom. Govt. Deposit .. 711,560.00
INSIST ON SECURITY — Then place your insurance on the basis of Broad Coverage and Favorable Rate — and save money on your Fire Premiums.
Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton
2,000 Agents Across Canada

The Shield of Protection
THE PORTAGE MUTUAL INSURANCE CO.
MUTUAL SERVICE WITH SECURITY
Since 1884
FIRE and WINDSTORM INSURANCE
The PORTAGE LA PRAIRIE MUTUAL INSURANCE CO.
PORTAGE LA PRAIRIE, MAN.
WINNIPEG, REGINA, EDMONTON

United States
Fidelity & Guaranty
Company
TORONTO

Insurance

Car Used for Military May be Fully Protected

Existing Forms, Including Regular Endorsements, Provide Coverage Against All Probable Hazards —Policyholder Must Keep Company Advised

Mobilization of the Canadian forces has brought a number of problems to the automobile insurance business. Most of these have resulted from the use of private passenger automobiles and trucks for military purposes, a condition not usually provided for in the ordinary automobile policy.

So many enquiries have been made by automobile owners and insurance companies as to what protection is available under such circumstances, that Hartley D. McNairn, Superintendent of Insurance for Ontario, has issued a statement clarifying the situation. This bulletin states that protection against all likely hazards is available under existing standard forms. But it also makes it plain that full protection against all the risks involved in carrying soldiers in private cars or trucks, especially for hire is not provided by the bare automobile insurance policy itself. Endorsements to the original contract are necessary to give full protection. It appears therefore that all private automobile owners, desiring to use their vehicles for the carriage of troops, especially where compensation is paid, would be well advised to examine their policy contracts to make sure they have the proper endorsements giving them the protection they want.

Use of Civilian Cars

Fairly general use of private cars for military purposes developed right after the outbreak of war. Mobilization entailed considerable travelling within each military district. Troops doing guard duty at some distance from their quarters had to be transported there and back. Few of the militia units had sufficient transport of their own. Consequence was that commanding officers frequently made arrangements with owners of private cars or trucks to carry soldiers where required.

These arrangements might be on any of three plans:

1. Payment of a mileage allowance.
2. A charge for each man carried varying according to the distance.
3. Hiring a vehicle outright.

The first plan is one often followed where officers or other ranks used their own cars, or those of somebody else who wished no compensation other than that for gasoline, oil and ordinary wear and tear. In this case if an accident occurred, the owner would not be liable for damages sustained by the passengers. Freedom from liability is provided by the clause in the Insurance Act which excludes liability for injury to passengers being carried gratuitously. Insurance men, however, point out, that in such cases the terms of the application for automobile insurance and the policy itself demand that the company be informed when the car is used for any purpose other than that indicated in the original contract. Failure to do so might cause some embarrassing investigation in case an accident did occur.

In the second case where the soldiers are carried for hire, there would be no exclusion from liability for injury to a passenger. The owner would have to get protection under an endorsement to the original policy.

When Vehicle is Hired

Under the third plan, where the vehicle is hired by the military unit, the Government, it is stated, accepts no responsibility, in event of an accident. The owner of the vehicle, however would be liable for damages sustained by the passengers. The insurance policy would give protection if it carried the proper endorsements. Here again the conditions of the policy demand that the company be notified that the vehicle is being used in such a way.

When privately owned trucks are being used to transport troops, it is also suggested that the passenger hazard endorsement for buses be used rather than the restricted passenger hazard endorsement which gives protection for only three persons.

Mr. McNairn points out further that when it is desired to carry explosives in an automotive vehicle, insurance protection is also available through endorsement.

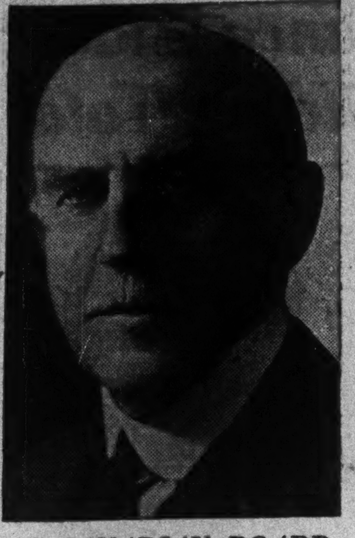
Insurance Problems

Automobile Coverage

I drive a large eight-cylinder automobile one of the more expensive makes. I carry $1,000 property damage insurance, and personal liability with limits of $5,000 for damage to any one person and $10,000 for one accident. I also carry fire and theft insurance but no collision. My agent thinks I should increase my limits on personal liability and should also carry collision insurance. What would you advise?

Without knowing your circumstances fully it is difficult to give intelligent advice. As regards increasing the limits of your personal liability insurance, however, it may be pointed out that if with your powerful car you were involved in an accident and you were held responsible, you might get a bill for damages a good bit higher than the amount of insurance you carry. If one of the victims were crippled for life a jury might very easily award more than $5,000 damages, especially as the fact of you driving an expensive car might be taken as an indication that you were well fixed financially. If two or three were badly injured, the total award could easily exceed $10,000. As far as collision insurance is concerned, it all depends on whether you are willing to take a chance on having to pay for repairs to your own car. Some people go on the plan that if their car is damaged through the fault of some other motorist, they would collect from him. This is all very well provided the offending party is financially responsible, but if he has no insurance and no resources, you would just be out of luck.

With accidents as numerous as they are, at least $10,000 and $20,000 limits for public liability are advisable, while collision insurance may save a lot of expense.



ON CANADIAN BOARD

W. A. Bog has been elected a director on the Canadian board of the Standard Life Assurance Co. of Edinburgh. Mr. Bog is a vice-president of the Bank of Montreal.

Obituaries

Thomas Bradshaw, president, North American Life Assurance Co., Consumers' Gas Co. of Toronto, and Toronto General Trusts Corp.; vice-president of the Canadian Surety Co.; director and member of the executive committee of the Bank of Canada; director of Moore Corp., American Sales Book Co., Pacific Manifolding Book Co., Gilman Fanfold Co., Canadian National Exhibition, and Canada Steamship Lines; member of the advisory board of the Huron and Erie Mortgage Corp.; onetime Finance Commissioner of City of Toronto, and former president of the Massey-Harris Co.; aged 71, at Toronto.

Louis de Gaspe Beaubien, senior partner of L. G. Beaubien & Co., and president of of L. G. Beaubien & Co. Ltd., and former president Montreal Stock Exchange, aged 72, at Montreal.

J. B. Fraser, president of J. B. Fraser Ltd. and partner of Fraser & Co. and former partner in the Fraser-Bryson Lumber Co. At various times in his career, he was vice-president of the old Bank of Ottawa, director of the Bank of Nova Scotia, member of the Ottawa Improvement Commission; director of the Grand Trunk Pacific Railway Co., Upper Ottawa Improvement Co., Lower Ottawa Improvement Co. and Ottawa River Forest Association; member of the Ottawa Advisory Board of the Royal Trust Co., and vice-president of the old Ottawa and Hull Power Co.; aged 82, at Ottawa.

E. E. Kenyon, Canadian manager of the Alliance Assurance Co. of London, Eng., and member of the executive committee of the Dominion Board of Underwriters; aged 51, at Montreal.

Sir Charles W. Lindsay, founder and chairman of the board of C. W. Lindsay & Co., Montreal; honorary president of the Canadian National Institute for the Blind, governor and member of the boards of management of Montreal General Hospital and the Alexandra Hospital; governor of St. Justine's Hospital, Children's Memorial Hospital and Notre Dame Hospital, the American Foundation for the Blind; member of the advisory board of the Y.W.C.A. and many other public service institutions; aged 84, at Montreal.

J. D. Price, general manager and director, Montreal Coke and Manufacturing Co., director of La Salle Coke Co., and vice-president of the Canadian Gas Association; aged 45, at Montreal.

J. S. Forgie, bond dealer, Toronto, aged 46, at Weston, Ont.

J. S. Snasdell, former superintendent of claims with the Sun Life Assurance Co., aged 80, at Montreal.

A. A. Tisdale, formerly general manager, western region, Canadian National Railways, aged 65, at Winnipeg.

North Brit. & Mercantile Completes 130th Year

The North British & Mercantile Insurance Co., last week celebrated its 130th anniversary, having been established on Nov. 11, 1809. The first office was in a flat in Edinburgh, for which it paid $130 a year rent. At the time it was called the North British Insurance Co. Later, after it amalgamated with the Mercantile Insurance Co., the name Mercantile was included. Companies associated with the North British are the Railway Passengers' Assurance Co., and the Occidental Fire Insurance Co.

In Canada it is licensed to write fire, automobile and various lines of casualty insurance as well as life. In recent years, however, it has devoted its attention mainly to the fire and casualty lines. Net premiums written in these branches including automobile, in 1938, totalled over $981,000. E. J. Kay is manager for Canada and Newfoundland, and A. Campbell assistant manager. Head office for Canada is at Montreal.

Electrolux Corp. Common Dividend Reduced Again

From Our Own Correspondent

MONTREAL. — Electrolux Corp. has reduced the quarterly dividend on its common stock to 20 cents a share, effective with the payment due Dec. 15 to shareholders of record Nov. 15.

This is the second time this year the company has reduced its dividend rate. With the June 15 payment, the rate was reduced from 40 cents to 30 cents a share quarterly.

Reduction in the dividend rate reflects the decline in earnings of the company. Net profit in the first nine months of the year was equivalent to 90 cents a share, as compared with $1.22 a share in the same period of 1938.

Dividend payments for the current year total $1.20 a share.

New Licenses

The Dominion Department of Insurance has granted certificates of registry to the following companies, authorizing them to write the classes of insurance indicated:

Pacific Fire Insurance Co. — Personal property insurance, in addition to the classes for which already licensed.

Pearl Assurance Co. — Fire insurance, accident, automobile, burglary, limited or inherent explosion, guarantee, inland transportation, sprinkler leakage, tornado, insurance against damage to or loss of property of any kind, falling aircraft, earthquake, hail, civil commotion, and insurance against loss or damage caused by vehicles.

Insurance Notes

Peter McDonald, who for the past 18 months has been in charge of the agency organization of the Crown Life Insurance Co. in Great Britain, has returned to the head office at Toronto, having been appointed acting secretary. Previous to going overseas, Mr. McDonald was agency supervisor at the home office, where he joined the staff in 1924.

* * *

W. A. Walker has been appointed fire marshal for British Columbia, succeeding J. A. Thomas, who retired earlier in the year. Mr. Walker has been deputy fire marshal for the province for 10 years.

* * *

Companies which have a substantial amount of insurance outstanding on certain specialty lines are rather worried by the rise in prices of articles which their policies cover. For instance, it is stated that the price of plate glass has increased, and it is believed may rise further. As much of the plate glass business was written earlier in the year the premium is based on prices then prevailing. In case of any large breakages, the loss in these cases would be greater than expected.

* * *

At the annual meeting of the London, Ont., division of the Mutual Underwriters' Association of Ontario, John Morrison, Parkhill, Ont., was re-elected president, A. Taylor, Denfield, Ont., vice-president, and A. Walker, Muncey, Ont., secretary. J. E. Anderson of Ottawa, president of the provincial association, and W. R. Cross, general secretary, were guest speakers.

Fire losses in Ontario in the first nine months of 1939 totalled $5.6 millions, down $740,000 from 1938, the third quarter report of the Ontario Fire Marshal shows. Insured losses at $4.9 millions were down $460,000. The number of fires in the nine months was 11,415, an increase of 289. In the third quarter, however, the number of fires at 3,246 was 110 below that of the same period in 1938 and total losses decreased by $41,095 to $1.9 million. On the other hand, insured losses increased $25,228 to $1.6 million.

* * *

Two men in Toronto were charged with conducting a racket to defraud life insurance companies. The accused would appear for medical examination in place of applicants for life insurance, who could not pass because of ill health. One of the pair pleaded guilty to the charge. It is understood that the method of operation was to contact people of the same or similar age, weight and build and general appearance and then appear before the doctor. In this way, it is claimed, some men who were uninsurable were able to obtain insurance.

* * *

An insurance racket was exposed recently in Montreal when a man claiming to be an agent of a Greek insurance company endeavored to sell life insurance and collect the first year's premiums in cash. Investigation revealed that the company was not registered with either the Dominion or provincial insurance department. When questioned by the authorities, the would-be salesman found it expedient to leave town.

* * *

Members of the Life Underwriters Association of Windsor, Ont., were warned by Robert Campbell, of Detroit not to pursue their prospect as relentlessly as the Royal Canadian Mounted Police would a fugitive from justice, lest he become antagonized against the whole institution of life insurance. Mr. Campbell who was formerly head of the Manufacturers' Life Insurance Co. in Michigan, urged his hearers to write their policy on the first visit. One of the greatest secrets in selling life insurance he added was to tell the story in simple words so that the average layman would understand as technical terms tended only to confuse.

Municipal Finances

York Township debenture holders, the municipality and the Ontario Department of Municipal Affairs are continuing negotiations toward a plan of refunding the township's funded debt and it is believed that an agreement will be reached in the near future.

* * *

Brandon reports that total revenues in the nine months to Sept. 30 amounted to $406,073, compared with $404,627 in the corresponding period last year. Current taxes and arrears collections are about $8,000 less but miscellaneous revenue is up $10,000.

* * *

St. James, Man., has made application to the Dominion Government for a $18,000 loan under the Municipal Improvement Assistance Act, to finance alterations and installation of additional water mains.

* * *

Edmonton unemployment relief cases are down 8% and relief costs are down 7% in the year to date, it is reported. At the end of September this year there were 1,946 cases on the city's relief roll, compared with 2,125 one year ago, a decrease of 179. In the nine months to Sept. 30 this year cost of relief amounted to $803,000, compared with $745,000 one year ago.

Tax collections in the first nine months of 1939 were $48,836 higher than in the same period last year, the city reports. If collections continue at the same rate for the rest of the year to Dec. 31 they will have totalled 110% of the 1939 levy, according to the city's estimates. Last year, collections, including arrears, totalled 107% of the levy. Only once in the city's history have collections gone higher than this figure, in 1928 when the percentage collections were 115%.

* * *

Stratford, Ont., reports good tax collections in the year to date. With seven weeks still to go in the current year, the city has already collected 98.4% of current levy. Collection of arrears has been better than last year. Expenditures to the end of October are well within the estimated amount, and barring some unforeseen occurrence, the city will show a surplus for the fourth consecutive year, after including all relief costs and current expenditures. Total number on relief during October of the current year was 825, compared with 1,142 for the same month last year. Costs are down proportionately.

* * *

Victoria with two months still to go has collected all but 2.5% of its current taxes. Total collections were estimated at 82.74% of levy.

* * *

Edmonton in its regular annual statement to taxpayers forecasts that tax collections this year will be over 110% of levy, a figure exceeded only once in the city's history, which was in the boom year of 1928. This betterment has occurred despite a decrease in the tax rate of two mills. This year is the fifth consecutive period in which the city has collected over 100% of tax levy. Bank debt has been reduced further during the year. Less than two years ago it was $1.8 million and it will be reduced to $750,000 by Dec. 31 this year.

* * *

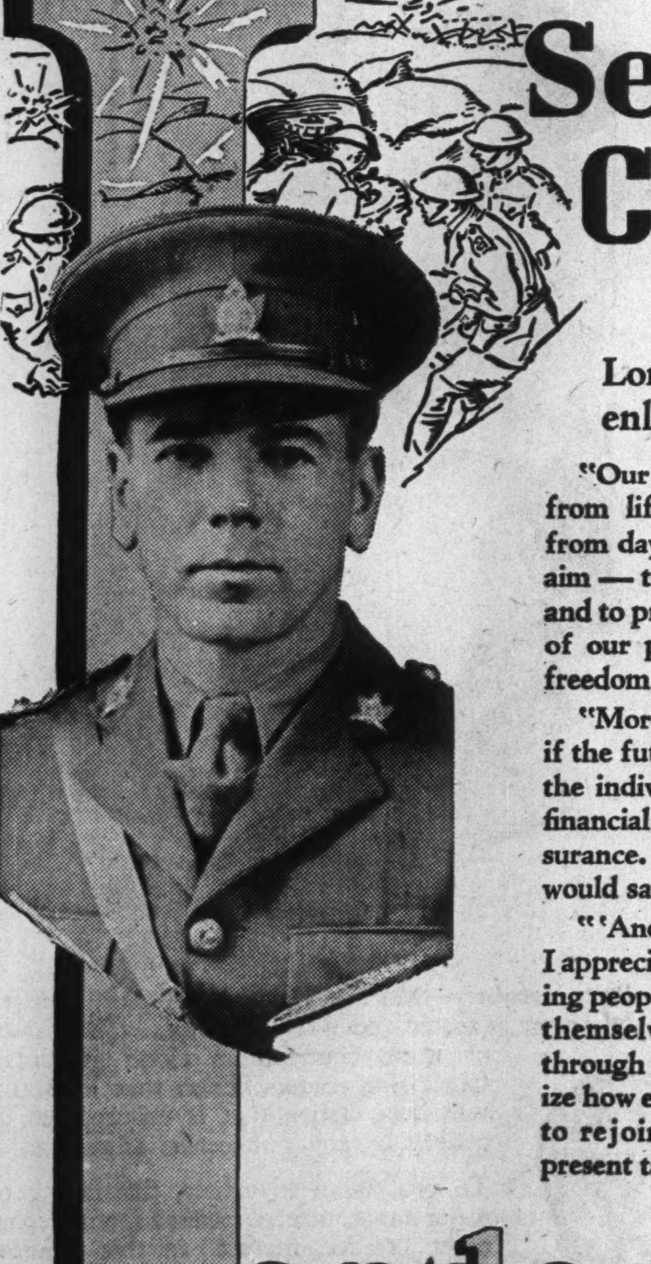
Edmonton public utilities in the first nine months of 1939 showed revenue gains over the same period in 1938, City Commissioner R. J. Gibb has announced. Population gained from 88,887 to 90,419, according to census reports, slightly less than 2%. Revenue from sale of electrical energy during the nine months was up 7% over the same period last year; street railway revenue was up 4½; water works revenue up 3½%; and telephone revenue up 3%.

Hudson's Bay Co. Finishes Apartment House in Regina

Representing the first venture of the Hudson's Bay Co. for nearly 20 years into the residential construction field on a commercial basis, and expected to aid in relieving the shortage of dwellings in Regina, the Grenfell apartment block in Saskatchewan's capital city was recently completed and occupied by tenants.

Of modern fireproof construction, the project contains 72 suites and cost $200,000 to build. Most of the suites are designed to cater to small families, and are limited to living room and one bedroom or units with combined living room and bedroom. There are four other apartment blocks of comparable size in Regina, but since 1929 apartment construction has been limited to one small unit and conversion of a number of larger houses into multi-family dwellings.

With glass brick used for stair windows and entrance, the new apartment has such modern touches as forced draft ventilation in bathrooms, stainless steel stair railings, terrazzo floors in both bathrooms and kitchens, and built in radio wiring. Location of the Grenfell is in the Regina downtown area.



Serving Canada
"A number of us London Life men have enlisted for active service.
"Our new duties are as different from life insurance work as night from day; yet there is a similarity of aim — to protect Canadian homes and to preserve the inalienable rights of our people to live their lives in freedom and security.
"More and more do I realize that if the future is to be made secure for the individual family there must be financial provision through life insurance. So to my old associates I would say, 'Carry on'.
"'And since you know how much I appreciate the opportunity of assisting people to safeguard the future of themselves and their dependents through life insurance, you will realize how eagerly I am looking forward to rejoining your ranks when my present task is done.'"
London Life
ESTABLISHED 1874
Insurance Company
Head Office - London, Canada.

BEFORE YOU INSURE — CONSULT
CONFEDERATION LIFE
ASSOCIATION
ONE OF THE WORLD'S GREAT LIFE INSURANCE INSTITUTIONS
RENOWNED FOR STRENGTH, SERVICE AND SECURITY SINCE 1871

"GOOD NEIGHBORS"
Just as it is desirable to locate your property in a well-maintained neighborhood, so is it desirable to insure your property in a company which carefully selects its risks—and returns the savings made directly to the policyholders. When insuring with Northwestern Mutual your property is associated with "good neighbors."
Write or phone for the name of the Northwestern Agent in your territory.
NORTHWESTERN MUTUAL FIRE ASSOCIATION
Toronto - Hamilton - Ottawa - Halifax - St. John - Quebec City - Montreal
Moncton - Winnipeg - Saskatoon - Edmonton - Calgary - Kelowna
Victoria - Nanaimo - Vancouver

BUSINESS OPPORTUNITIES
The Maritime Life Assurance Company has openings for Life Insurance Salesmen in the main centres of the Maritimes particularly Saint John, Halifax, Moncton, Truro and Sydney. Numerous opportunities for early advancement await the right man. If interested in working with a company with such a record as the Maritime Life write The Secretary, Home Office, Halifax, giving full particulars. Correspondence treated in full confidence.

Crown Life Progress reflects Public Approval
CROWN LIFE
Established 1900 INSURANCE COMPANY Home Office Toronto

EXPERIENCE
Speculate if you will, but first build up a bulwark of protection against disappointment. This protection, so vital to every man, should be built on the bed-rock of LIFE insurance.
Through The Great-West Life, you get the advantage of experience gained during almost half a century of successful operation. You get that continuity which ensures that an income will be paid your heirs, if you wish, as long as they live.
In matters of financial protection for yourself, your family or your business, take advantage of the experience of The Great-West Life man. He represents a sound, long-established company, whose assets total $162,554,769, and whose business in force is in excess of $607,000,000.

THE GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE — WINNIPEG

for BUSINESS and PLEASURE

Here the world's cultures — that of old England, ancient France and modern America — meet and blend, radiating around the commercial and social centre of the great French-Canadian metropolis, Montreal. Visit the gay and glamorous Normandie Roof, "America's most beautiful room," atop the Mount Royal Hotel.

Direction of VERNON G. CARDY

MOUNT ROYAL HOTEL MONTREAL

EXPERIENCED TRAVELLERS CARRY MONEY SAFELY

Canadian Pacific Express TRAVELLERS CHEQUES

To The Travelling Public:

HOTEL LONDON

London, Ontario
Rates for Rooms as Follows:—

Single room without bath, $2.50; running water and toilet.
Single room with shower, $2.75.
Single room with bath, $3.00.
Single room with tub and shower combination, $3.50.
Double room without bath, $4.00; running water and toilet.
Double room with bath, $4.50.
Double room with tub and shower combination, $5.00.
Twin bedrooms with tub and shower combination, $5.50.

Soliciting your appreciated patronage,
H. F. STRUCKETT, Manager.

Envelopes for every purpose

Barber-Ellis of Canada, Limited

TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

Investors' Chronicle

6d. Established 1860 6d.

Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain

OVERSEAS FINANCE

Special Correspondents in all Financial Centres

A free specimen copy will be forwarded on post card application to:

THE PUBLISHER,
INVESTORS' CHRONICLE,
20, BISHOPSGATE,
LONDON, E.C. 2, ENG.

Weekly Bank Clearings

	Nov. 9 1939 $	Change yr. ago %	Nov. 2 1939 $
Halifax	3,342,877	+40.4	2,877,611
Saint John	2,059,255	+21.8	1,859,494
Moncton	890,773	+14.9	837,088
Sherbrooke	977,508	+16.0	645,289
Quebec	6,216,126	+10.7	4,836,380
Montreal	100,035,752	— 7.0	102,730,065
Ottawa	33,180,392	+22.1	21,147,777
Kingston	634,785	— 2.4	637,362
Peterborough	588,194	—11.3	704,997
Toronto	101,455,471	— 7.9	145,543,451
Hamilton	5,770,660	+27.2	7,389,982
Kitchener	1,237,816	+10.3	1,497,554
Brantford	942,903	+14.6	993,608
London	2,661,908	+13.7	2,875,844
Chatham	689,734	+26.2	641,168
Windsor	2,666,021	+ 2.9	2,759,769
Sarnia	485,913	— 8.0	435,807
Sudbury	997,658	— 4.5	1,136,343
Fort William	812,710	— 4.2	926,285
Winnipeg	54,852,511	+16.0	71,509,621
Brandon	440,858	+ 7.8	418,966
Regina	6,599,028	+30.9	8,274,602
Moose Jaw	765,345	+10.5	894,600
Saskatoon	1,957,340	+35.9	2,009,441
Prince Albert	432,181	+19.6	457,295
Edmonton	4,883,027	+12.0	4,900,660
Calgary	6,919,956	— 8.3	7,901,561
Lethbridge	887,956	—10.9	747,823
Medicine Hat	333,607	+ 8.7	351,750
N. W'minster	646,973	+ 8.6	721,765
Vancouver	17,472,275	+ 8.9	20,942,634
Victoria	1,854,663	+ 3.1	1,725,706

For Your Stay IN HALIFAX

Make your reservation at the "Lord Nelson". You'll enjoy its restful room comfort and quiet, attentive service. Famous for food. Fireproof, and with every modern convenience.

Single Rooms with bath $3.00 up

THE LORD NELSON HOTEL
"The Place to Stay in Halifax"

In Montreal

THE Windsor

ON DOMINION SQUARE

J. Aldéric Raymond, Vice-President

Banking

Banks Vary Policies On Filling Vacancies

Enlistment in Active Service Forces, Extra Work Caused By Exchange Regulations, and Large Western Crop Affect Employment

Contrary to their usual custom in the autumn months, the Canadian chartered banks have been taking on a number of junior clerks.

Each year a limited number are added to the various bank staffs to take care of the vacancies that occur through the ordinary causes. But these additions are usually made in the spring, just before the vacation season opens. Untrained men entering the service at that time have an opportunity to get their bearings and work into the routine before the autumn rush starts.

Further Additions

Since the beginning of September, however, it has been found necessary again to make further additions to personnel.

Reasons for this are:

Staffs have become depleted by enlistments in the Active Service Force.

Business, particularly in the West, is more active.

The work done by the banks for the Foreign Exchange Control Board has thrown an added burden on bank staffs.

Thus, apart from the ordinary replacements that are necessary through death or other causes, a substantial number of people have found employment with these institutions this year.

Enlistments in the Active Service Force since the beginning of the war, nearly two months and a half ago, are considerably smaller than they were in the same period of 1914. One reason for this is that under the Government policy, enlistments from the banks have been discouraged. This, it is said, is due to the experience of the last war, when placing of the Victory Loans and other financial operations were handicapped by the lack of sufficient numbers of trained bank officials.

One of the larger banks reports that whereas this year they have lost 60 men through enlistment, in the first three months after war broke out in 1914 they had lost 300. Other banks have lost men in about the same proportion.

If the war is of long duration and enlistment of bank clerks encouraged the situation will be very different.

The volume of extra help made necessary by the work of the Foreign Exchange Control Board and the near record crop in the West, while not large in the case of the individual bank, is substantial in the aggregate. Some of the western branches have been overstaffed, and in these cases the surplus is only being absorbed. In others, however, extra help is required.

Women Taken On

In some cases many of the vacancies occurring are being filled with women.

It will be recalled that it was during the last war that women first became part of the regular staffs of the banks. Previously only a few girls had been employed as stenographers. But when men became scarce, women in large numbers became ledger keepers, tellers and accountants.

There is a considerable difference in the policies of the various banks as regards taking on girls.

Prefer Men Altogether

Some endeavor to fill their vacancies almost entirely by men, stating that they believe this is the best way to build up a staff for the future. Even if a junior enlists a year later they feel that he will eventually come back and the training which he received before going into the army should be valuable. They feel too that if they do not engage too many men, the additional number will probably be taken care of by the ordinary shrinkage.

Other banks again have been taking on both men and women.

Some executives in these latter institutions are trying to estimate the proportion of vacancies due to normal causes, such as deaths, business expansion, etc. as distinct from those due to enlistment. The vacancies due to ordinary causes they are filling with men, while those caused by enlistments, which they regard as a temporary condition, they are filling mostly with girls because, they claim, a girl is more apt to regard a business position as temporary.

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

C. L. BOWLBY, to be manager, Sydney, N.S.

H. S. SCRIBNER, to be manager, Jacquet River, N.B.

A. E. SEELY, to be manager, Doaktown, N.B.

P. V. COULTON, to be accountant, New York.

W. E. MacDONALD, to be manager, Brockville, Ont.

M. H. GILMORE, to be manager, Welsford, N.B.

B. L. DEWEY, to be acting manager, Codette, Sask.

JAMES BRYDON, to be manager, Bank & Fourth Streets, Ottawa.

A. T. F. COBB, to be manager, Renfrew, Ont.

E. N. ATKINSON, to be manager, New Waterford, N.S.

H. J. CLARKE, to be manager, Carp, Ont.

N. W. R. HAMILTON, to be manager, Port Daniel, Que.

J. H. RATTEE, to be assistant manager, Montreal.

F. W. NICKS, to be accountant, Montreal.

G. F. GARDNER, to be manager, Hamilton.

The Bank of Toronto announces the following staff changes:

A. MacKAY, accountant at Newmarket, Ont., to be manager, Newmarket, in succession to C. N. Robinson.

C. N. ROBINSON to be manager, Freelton, Ont., in succession to A. H. Johnston.

A. H. JOHNSTON to be manager, Lyndhurst, Ont., succeeding W. H. Hall.

W. H. HALL to be manager, Coldwater, Ont., in succession to R. P. Bellamy.

The Canadian Bank of Commerce announces the following staff changes:

W. W. EMSLEY, accountant, Trail, B.C., to be manager, Greenwood, B.C.

F. A. STUART, assistant inspector, dept. of the superintendent of Man. and Sask. branches, to be manager, Moose Jaw.

F. N. GISBORNE, manager, Dawson, Y.T., to be manager, Salmon Arm, B.C.

A. H. WATSON, manager, Moose Jaw, to be manager, Portage Ave. and Donald St., Winnipeg.

The Royal Bank of Canada announces the following staff changes:

G. F. JOHNSTON, assistant manager, Stanley St., Montreal, to be manager, Barrie, Ont.

R. W. DAROU, accountant, Montreal West, to be accountant, Pembroke, Ont.

J. R. LORANGER, to be accountant, St. Johns, Que.

New Branch Bank

Montreal City and District Savings Bank will erect a new branch building on Decarie Blvd., about 100 yards north of Queen Mary Road, Montreal. The contract has been let to Cecil Carpenter & Co. at about $33,000. The plans call for a building, with stone front and brick sides.

Saint John Calling!

It's the Admiral Beatty—the official AAA hotel. 250 fireproof rooms from $2. single, $3. double. Modern cafeteria. AAA garage.

The ADMIRAL BEATTY
SAINT JOHN, N.B.

Weekly Statement Bank of Canada

Total investments of the Bank of Canada are shown in the weekly statement for Nov. 8 as down $300,000 from the previous week. The decline was mostly in long-term issues, a condition which has been reflected in the bank's statements for several weeks past.

Reduction was also shown in reserves of sterling and United States exchange and in the item all other assets, which are composed mostly of bills of exchange. This was probably due to operations of the Foreign Exchange Control Board and the increase in imports from the United States.

The statement also reported the first upturn in note circulation since the week of October 18. The increase was $1.6 million, indicating a renewed demand for more currency.

Balance Sheet

	Nov. 8 1939 $	Nov. 1 1939 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	226,842,200	225,268,770
Rest fund	1,903,515	1,903,515
Depos.: Dom.	37,546,296	38,975,560
Banks	225,752,030	230,249,001
Other	19,630,241	19,110,844
Total deposits	282,928,567	288,335,405
All other liabs.	6,780,355	10,424,883
Total liabs.	523,454,636	530,932,573
Assets		
Reserve: Gold	225,674,987	225,674,987
Res. in sterling and U. S.	45,659,702	46,563,540
Other curr.	1,163	1,609
Total reserve	271,335,852	272,240,136
Subsidiary coin	178,044	196,252
Advances	....	1,000,000
Investments:		
Dom. govt. short	190,820,105	190,927,679
Other Dom. govt.	54,893,055	55,111,862
Total invest.	245,713,160	246,039,541
Premises	1,665,508	1,664,285
All other assets	4,562,073	9,792,359
	523,454,637	530,932,573
Reserve ratio	53.22%	53.00%

BANK OF NOVA SCOTIA APPOINTMENTS

D. A. Y. Merrick (right), for the past eight years manager of the main branch in Toronto of the Bank of Nova Scotia, has been appointed supervisor of branches, at the head office. He is succeeded as manager at the Toronto branch by Allan L. Woodrow, who has been manager at Hamilton for the past eight years. Both men entered the service of the bank as juniors in 1902, Mr. Merrick at Ottawa and Mr. Woodrow at Saint John, N.B.

H. F. Patterson is President Canadian Bankers' Assn.

Feature of the annual meeting of the Canadian Bankers' Association at Montreal last week was the absence of a presidential address. Retiring president S. G. Dobson, general manager of The Royal Bank of Canada, confined his remarks to the conduct of the meeting. In deciding not to give a presidential address, he marked a return to the practice followed some years ago when routine matters only were dealt with at the annual meeting.

Officers for the coming year were elected as follows:

President, H. F. Patterson, general manager, Bank of Nova Scotia; vice-president, F. H. Marsh, general manager, Bank of Toronto; Charles St. Pierre, general manager, Banque Canadienne Nationale; H. T. Jaffrey, general manager, Imperial Bank of Canada, and G. W. Spinney, joint general manager, Bank of Montreal.

Executive council: H. A. Stevenson, general manager, Barclays Bank (Canada); J. U. Boyer, general manager, Banque Provinciale du Canada; A. E. Arscott, general manager, Canadian Bank of Commerce; Robert Rae, general manager, Dominion Bank, and S. G. Dobson, general manager, Royal Bank of Canada.

War Strengthens Realty's Outlook

(Continued from page 11)

Government authority and the influences of Government housing finance measures.

The expectation of higher prices and yields in real estate must be discounted by probability of higher municipal tax assessment and tax rates, also increased income taxes. It is not anticipated that municipal war expenditures and increased operating costs will jack up taxes to the extent of 1914-18. In some cases the currently prevailing downward trend of taxes, and the reduction of relief rolls by expanded industrial employment may bring about tax reductions.

But in general, some degree of tax increase to carry the war load is regarded as inevitable. The cut in relief costs through absorption of reliefees by industry and the army is not expected to be as great as forecast in some quarters. Any drop will be offset by necessity of caring for soldiers' dependents, other wartime responsibilities, and increased costs for materials and equipment used in municipal services.

The steady climb of assessments and taxes during the last war is illustrated by the following Toronto figures:

Assessments and Taxes Toronto—1913-22

	Assessment millions of $	Tax Rate (mills)
1913	436.4	19.50
1914	513.4	19.25
1915	565.3	*23.00
1916	585.9	*22.50
1917	588.4	*25.50
1918	602.9	*30.50
1919	621.4	28.50
1920	641.4	30.50
1921	697.4	33.00
1922	776.1	32.35

*Includes provincial war tax of one mill on the dollar.

There is a possibility that any rise in municipal taxes will be offset by adjustments arising out of relief from social service costs, as a result of the Rowell-Sirois report. There is no assurance, however, that the recommendations the Royal Commission will probably make, for relief of municipalities, will be implemented until after the war. Even if the general proposals are carried out—as to division of powers and sources of revenue—the Dominion Government will naturally be reluctant to add to its wartime financial burdens.

In addition to the threat of higher assessments and taxes, any increase in realty prices and rents will probably be curbed as a result of any sustained volume of new construction. And undue rise in the cost of living generally will limit ability of owners to raise rents. Rents have always fallen fast, but risen slowly. And they depend not only on the willingness and ability of tenants to pay but on the extent of the available supply of rentable premises. If people as a whole start to make money, there is likely to be a demand for better types of accommodation that will reduce rents on less desirable premises.

List "Foreign" Stocks Traded on Toronto Exch.

Under the regulations of the Foreign Exchange Control Board a number of stocks commonly traded and owned in Canada have to be classed as "foreign" securities. The Board defines foreign securities as those "issued by or on behalf of any government, municipal or other authority outside Canada or by any society, company or corporation whose head office is outside Canada, and any securities which are not payable, or any dividends or interest on which are not payable, or the principal amount of which is not expressed, exclusively in Canadian dollars."

The Toronto Stock Exchange has issued a list of the stocks traded through its facilities, which are subject to the restrictions applied by the Board to "foreign" securities. This list follows:

American Cyanamid A and B common.
Carnation Co. 1st preferred.
Chemical Research.
Distillers Corp.-Seagrams preferred.
Dome Mines.
Fanny Farmer Candy Shops.
International Milling 1st preferred.
International Mining.
International Nickel common and preferred.
International Utilities A and B shares.
Jack Waite.
Kerr Lake Mines.
Lava Cap Gold.
McIntyre-Porcupine.
Minneapolis, St. Paul & Sault Ste. Marie common and preferred.
Moore Corp. common and A and B preferred.
Nordon Corp.
Pantepec Oil.
Pend Oreille.
Pressed Metals of America.
Remington Rand common.
South American Gold & Platinum.
Sylvanite.
Texas Canadian Oil.
Twin City Rapid Transit common and preferred.
United Cigars-Whelan Stores common.
Wright-Hargreaves.

Jamaica Public Service Earnings Advance Sharply

From Our Own Correspondent

MONTREAL. — Jamaica Public Service and subsidiary companies report net income of $21,449 for September. This compares with $13,982 for the like period a year ago.

Net income for the 12 months ended Sept. 30, 1939, totalled $222,498, an increase of $38,630 over the preceding 12 months. The improved showing has been due to larger gross revenues, practically all of which have been carried forward into net income.

Black Market Hurts Dollar

Small Volume Canadian Funds Offered Below Official Rate

While the majority of Canadians have readily agreed to accept the regulations of the Foreign Exchange Control Board, requiring all dealings in Canadian exchange to go through the Board or its appointed agents, various United States holders of Canadian dollars have felt themselves free to buy and sell through whatever channels they chose. A few Canadians are believed to have adopted the same attitude. The result has been the development of a black or bootleg market in New York where dealings in Canadian dollars frequently take place at a discount considerably greater than that established by the Board.

Several Ways

The funds dealt in on this unofficial market appear to have been derived in several different ways. They might be Canadian dollars smuggled out of the country, or credits arising from the export of Canadian merchandise to other countries or again they might be Canadian credits owned by United States financial interests and located in Canada when the Foreign Exchange Control Board began to function. As United States holders might not always be able to show sufficient reason why they should be allowed to take their credits out of the country, some of them have attempted to sell them on the United States market. To get a deal through in a hurry they have often been willing to accept a lower rate of exchange than the board was quoting.

In some instances, it is stated, British banks were buying Canadian dollars at New York more cheaply than they could buy them on the official Canadian market. It is understood, however, that the Exchange Control Board promptly took steps to have the British authorities stop this practice. It is also understood that efforts have been made to get American banks to quote the official Canadian rates on the Canadian dollar.

New Low Levels

On the bootleg market, it is understood, transactions have taken place during the last few days with the Canadian dollar at new low levels for the present movement. Rates quoted were a discount of 13¼% on the Canadian dollar or a premium of 15% on U. S. currency in terms of Canadian. These rates compare with 10% discount and 11% premium, on the official market of the Foreign Exchange Control Board. Some recovery has occurred since.

Reasons given for the decline of Canadian dollars on the black market include:

Flight of Belgian and Dutch capital toward the U. S. dollar which consequently strengthened in terms of sterling and Canadian funds, as well as in terms of guilders, and the belga.

Selling of sterling by Japan and Russia which affected Canadian dollars in sympathy.

Maturing this week of a $20 milions Dominion of Canada issue, a part of which is held in the United States.

This maturity is payable in Canadian funds and was previously provided for but it is stated that some U. S. holders not wanting Canadian funds have been offering the proceeds of their bonds in advance on the bootleg market with depressing effect.

One foreign exchange dealer in Toronto estimates the average daily amount dealt in at New York at around $50,000 compared with possibly $4 millions or $5 millions on the Canadian market. With the Exchange Control Board operating more efficiently all the time, it is stated, the sources of funds for this unofficial market are gradually drying up.

Smooth, distinctive and unsurpassed in quality and flavour, Piccadilly "London Mixture" has for years held the enthusiastic favour of discriminating smokers who demand a mild tobacco free from "bite". You could not put a finer tobacco in your pipe.

Piccadilly LONDON SMOKING MIXTURE MILD

Banking Service

1817 - 1939

BANK of NEW SOUTH WALES

Head Office: Sydney, Australia

General Manager: SIR ALFRED DAVIDSON, K.B.E.

Assets of £127 millions. Over 900 branches in Australia, New Zealand & Pacific Islands.

London Offices at 29 Threadneedle St., E.C.2. and at 47 Berkeley Square, W.1.

Agency arrangements with Banks throughout Canada.

A Royal Welcome AWAITS YOU AT Canada's Royal Family of Hotels

ROYAL CONNAUGHT HAMILTON, ONT

GENERAL BROCK NIAGARA FALLS, ONT

PRINCE EDWARD WINDSOR, ONT

DIRECTION Vernon G. Cardy

Santa Fe

Super Chief and Chief to California

● In these magnificent all-Pullman extra-fare stainless steel streamliners, Santa Fe offers transcontinental travelers the utmost in beautiful appointments and smooth-riding speed ● *The Super Chief,* departing from Chicago every Tuesday and Saturday evening, is the *only* solid-Pullman streamliner racing between Chicago and Los Angeles in just 39¾ hours! ● *The Chief,* leaving Chicago *every day* at noon, is the fastest of all California *daily* trains, and the only *daily* streamliner between Chicago and Los Angeles.

For reservations, etc., just consult:

1008

D. L. THORNBURY, Asst. Traf. Mgr., SANTA FE RY.
WM. A. FLEMING, Dist. Pass. Agt.,
504 Transportation Bldg., DETROIT, MICH., Phone: RANdolph 8748

BUILDERS of CANADA

The landing of Cartier at Stadacona.

Jacques Cartier

This daring navigator won the proud title of "Discoverer of Canada." In 1534 he made his first voyage and landed at Gaspe where he planted a 30 foot cross and claimed this new land for François I of France. The following year he sailed up the river to Stadacona—now Quebec—where he spent the winter of 1535-6, sailing home in the Spring, carrying glowing tales of this new land of great promise.

NEW MARKETS

THE courage and vision of Cartier opened up a new world. In the same spirit of adventure and enterprise, Canadians, assisted by this Century-old Bank, are continually making voyages of discovery in business. As new products are developed and markets found, the experience and facilities of this Bank are playing their part in Canada's March of Progress.

We invite business men to discuss their banking problems with us.

Coast to Coast in Canada

NEWFOUNDLAND, JAMAICA, CUBA, PUERTO RICO, DOMINICAN REPUBLIC, NEW YORK, CHICAGO, BOSTON, LONDON, ENGLAND.

The BANK of NOVA SCOTIA
OVER A CENTURY OF BANKING EXPERIENCE

The Week's Quotations

Toronto and Montreal Exchange

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING NOVEMBER 13

Range 1939 High	Low	Div. R'te $	Nov. 11 Y'ld %		Sales	Last Nov. 6	Week end. Nov. 13 H	L	Cl'se
				A					
3¼	1	.	...	Abitibi	6215	2¼	2	1⅞	1⅞
21¼	3¼	.	...	Do. pref. 6%	7803	14⅛	15	11⅞	12⅞
36	4	.	...	Do. pref. 7%	5	34	27	27	27
6	2	.	...	Acme Glove	....	(5 bid 6 asked)			
*82	60	.	...	Do. pref.	....	(— bid 65 asked)			
11¼	9¼	60+20c	7.3	Agnew Surp.	65	11	11¼	11	11
111	104	7	6.4	Do. pref.	50	110	110	110	110
4⅛	1	.	...	Alta. Pac. Gr.	315	3	4	3¼	4
35¼	13	.	...	Do. pref.	106	35	34¼	32	32
20¼	6⅛	.	...	Algoma Steel	790	17¼	17¼	16⅞	17
97	51	.	...	Do. pref.	50	95¼	96	94	95¼
142¼	104	4.25+10%	...	Aluminum	768	125	128	122	125¼
112¼	111¼	6	5.3	Do. pref.	....	(112¼ July 28)			
7	4¼	.	...	Amal. Electric	110	7	7	7	7
22¼	22¼	60c	2.7	Amer. Cyn. B.	....	(29 bid — asked)			
50	46	2.75	5.8	Ang. Can. Tel p	100	46	47	47	47
28¼	17¼	60+30	3.6	Asbestos	2836	26	26	24⅞	24⅞
17	11	80+45	8.5	Assoc. Brew.	135	14⅞	14⅞	14⅞	14⅞
115	109	7	6.2	Do. pref.	....	(112 bid — asked)			
2	2	.	...	Assoc. T & T.A.	....	(— bid — asked)			
31	26	1.68	5.4	Do. pref.	113	30	30⅞	30⅞	30⅞
102	100	5.50	5.5	Ault & Wiborg.	....	(100 bid — asked)			
				B					
168	140	8	5	Bk. Can. Nat.	25	157	160	159	160
222	176	8	3.8	Bk. Montreal	79	209	213	210	213
315	285	12	3.8	Bk. N. Scotia	57	313	315	313	313
255	215	10	4	Bk. Toronto	22	242	249	245	245
5	4¼	.	...	Barcelona	....	(5 Mar. 18)			
7¼	3	.	...	Barker's Bread	....	(5¼ bid 6¼ asked)			
39¼	20	2.50	7.2	Do. pref.	....	(33 bid 37 asked)			
15¼	4⅞	25c	...	Bathurst Pr.	3430	14⅞	14⅞	13	14
5¼	⅞	.	...	Do. (B)	874	5	5	4¼	4¼
2.75	.50	.	...	Bawlf Grain	100	2.00	2.00	2.00	2.00
27	15	.	...	Do. pref.	50	27	27	27	27
4	1¼	.	...	Beath & Sons	....	(4 bid 5 asked)			
8¼	4	.	...	Beatty Bros. A.	85	6¼	6	6	6
105	99¼	6	5.9	Do. pref.	20	102	102	102	102
97	97	7	7.8	Do. 2nd pref.	....	(— bid 95 asked)			
7⅞	2	.	...	Beauharnois	2532	5⅞	5⅞	5¼	5⅞
95	90	4	4.3	Belding Cort.	5	92¼	92¼	92¼	92¼
141	131	7	5.2	Do. pref.	....	(135 bid 140 asked)			
178	140	8	4.9	Bell Telephone	1227	163	165	160	164
10	6	62½c	...	Biltmore Hats	170	9	10	9¼	10
8	3¼	.	...	Blue Ribbon	5	8	7	7	7
36¼	25	2.50	7	Do. pref.	55	35¼	35¼	34	35¼
24¼	17⅞	1.30	7	Brant. Cord. pf.	7	18¼	20	20	20
12⅞	5¼	.	...	Brazilian Tr.	6219	8¼	9	8¼	8¼
5⅞	3	50+25c	...	Brew. & Distil.	42	4	4	3	4
6¼	6¼	30c	4.8	Bright, T. G.	....	(4⅞ bid — asked)			
80	80	6	7.5	Do. pref.	....	(74 bid — asked)			
23¼	18⅞	1	4.3	Brit. Amer. Oil	4183	23¼	23¼	23¼	23¼
18¼	11	.	...	B. C. Packers	127	16	16¼	16	16¼
28¼	20	2	7.7	B. C. Power A.	423	26¼	26¼	25¼	25⅞
3	1	.	...	Do. (B)	13	2¼	2¼	2¼	2¼
6¼	2	.	...	Bruck S. Mills	225	5¼	5¼	4¼	5
19	12⅞	70+10c	4.7	Building Prod.	890	17¼	17¼	17	17¼
15⅞	9¼	60c	4.1	Burlington St'l	310	14⅞	14⅞	14⅞	14⅞
				C					
82¼	70	.	...	Calgary Power	....	(65 bid 72 asked)			
100	93	6	6.1	Do. pref.	7	100	99	98¼	98¼
6¼	2	.	...	Canada Bread	1120	6	6¼	5¼	5¼
105¼	97	5	5	Do. pref.	5	100⅞	100⅞	100⅞	100⅞
60	49	2.50+1.50▲	4¼	Do. pf. B.	....	(58 bid 60 asked)			
5	3	40c	10	Canada Bud	....	(3⅞ bid 4¼ asked)			
10⅞	5¼	.	...	Canada Cement	1857	7⅞	8	7¼	7⅞
102¼	78	5	5.4	Do. pref.	304	92¼	92¼	90	92
105	100	5	4.8	Canada Cycle p	15	103	104	104	104
33¼	25	1.50+25c	...	C. & D. Sugar	1010	32¼	32¼	31¼	31⅞
b20⅞	12	50c	3.2	Canada Dry	26	15	15⅞	14⅞	15⅞
24	7	.	...	Can. Forg. A	5	22	22	22	22
23	7	.	...	Do. (B)	20	22	21¼	21¼	21¼
20	20	.	...	Can. Iron	....	(20 bid 40 asked)			
55	50	4.50	8.1	Do. pref.	....	(55 bid 75 asked)			
38	28	1.50+50	5.7	Can. Malting	410	36	35¼	35	35
18	13¼	1.20	6.9	Can. Nor. Pr.	390	17¼	17¼	17¼	17¼
112	95¼	7	6.4	Do. pref.	30	106¼	109	107	109
104	66	3+1	3.9	Can. Packers	180	101¼	101	100	100
*7	1⅞	.	...	Can. Paving, pf	....	(— bid 2 asked)			
153	134	8	5.6	Can. Perman.	27	136	142	138	142
7¼	6	.	...	Can. Starch	....	(6 bid — asked)			
109	108	7	6.4	Do. pref.	....	(109 bid — asked)			
7⅞	1	.	...	Can. Steamsh's	3069	6	6	5⅞	5⅞
19¼	6	50c	3.1	Do. pref.	987	16¼	16¼	15¼	16¼
14	10	1.20	9.6	Can. Vinegars	245	12¼	12⅞	12¼	12⅞
65	55	4	6.8	Can. W. Cable	20	60	59	59	59
25	14	50c	2.5	Do. (B)	70	21	20¼	20	20
107¼	101	6.50	6.2	Do. pref.	10	105	106	106	106
1¼	1	.	...	Can. Bakeries	....	(— bid 1¼ asked)			
60	25	.	...	Do. pref.	10	55	52	52	52
179	134	8	4.8	Can. Bk. Com.	215	166	166	163	165
1.80	.75	.	...	Can. Breweries	395	1.05	1.10	1.05	1.05
23	14¼	2	10.5	Do. pref.	40	19¼	19¼	19	19
48	30	1.50	3.3	Can. Bronze	....	(40¼ bid 43 asked)			
109	105	5	4.6	Do. pref.	40	105	109	109	109
11	2⅞	.	...	Can. Canners	275	10	10	10	10
20¼	16¼	1	4.9	Do. 1st pfd.	735	20	20¼	19⅞	20
14¼	6	60c	4.6	Do. 2nd pfd.	1173	13¼	13¼	13	13
19¼	6¼	.	...	Can. Car & F'y	9120	16⅞	16⅞	14¼	15¼
34¼	17	.	...	Do. pref.	2010	29¼	29	27	28
24¼	10¼	75+35c	...	Can. Celanese	1975	23¼	23⅞	22	23¼
120	95	7	5.8	Do. pref.	100	120	120	120	120
21	17⅞	1	4.7	Do. Rights	98	20¼	21	21	21
18	4	.	...	Can. Convert.	15	17	17	17	17
98	63	4	4.1	Can. Cottons	585	94¼	98	95	98
106	100	6	5.7	Do. pref.	10	105¼	106	106	106
25	10¼	1	4.4	Can. Dredge	50	22¼	22¼	22	22
102¼	98¼	6	5.8	Can. Fairb. pf.	....	(99 bid — asked)			
13	6	1.40	11.2	Can. For. Inv.	....	(10 bid 12¼ asked)			
100	90	8	8	Do. pref.	....	(100 Oct. 31)			
256¼	200	6	3	Can. Gen. Elec.	....	(200 bid — asked)			
9¼	7	50c	5.3	Can. G. Inv.	360	9¼	9¼	9¼	9¼
4⅞	1¼	†15c	...	Can. Ind. Alc.	2311	4	4¼	3¼	4
4⅞	1¼	†15c	...	Do. (B)	205	3⅞	3⅞	3¼	3⅞
238	192⅞	7	2.9	Can. Indust. B.	30	238	235	235	235
175	157	7	4.2	Do. pref.	....	(167 bid 172 asked)			
.75	.20	.	...	Can. Int. I. Tr.	15	.50	.25	.25	.25
50	40	2	4.4	Do. pref.	5	47	45	45	45
16¼	12¼	1	6.1	Can. Lt. & Pr.	....	(15¼ bid 18 asked)			
20	4	.	...	Can. Locomo.	330	16	16	14⅞	15
1	1	.	...	Can. Mach'y	15	..	1	1	1
21	18	.	...	Can. Mach'y, p.	10	21	21	21	21
1.85	.75	.	...	Can. Marconi	855	1.50	1.50	1.10	1.30
20	12	50+50c	6.1	Can. Oil	500	16¼	16¼	16¼	16¼
122	106	8	6.8	Do. pref.	305	118	120	118	118
9¼	3	.	...	Can. Pacific	11551	6⅞	6⅞	6¼	6¼
1.60	.30	.	...	C. Pr. & Pa. In.	77	1.35	1.25	1.05	1.10
6¼	3¼	.	...	Do. pref.	135	5¼	5¼	5	5⅞
10	2	.	...	Can Vickers	1005	8¼	7⅞	7	7¼
41	10	.	...	Do. pref.	178	32	35	34	34
15	9	50c	5	C. Wallpaper A	....	(— bid — asked)			
13	9	50c	5.3	Do. (B)	....	(— bid — asked)			
60	48	1.87½	3.6	Can. West'ho'se	....	(— bid — asked)			
4¼	3	40c	9.4	Can. Wineries	855	3⅞	4¼	3⅞	4¼
20¼	14⅞	1.50	7.7	Can. Wire Box	50	19¼	19¼	19¼	19¼
3.00	.80	.	...	Capital Estates	571	1.25	1.75	1.60	1.60
114	103⅞	5	4.4	Carnation, pfd.	....	(112¼ bid — asked)			
12⅞	6	50c	4.2	Catelli Food	487	11	12¼	12	12¼
13	11	75c	6.2	Do. pref.	....	(12 bid 13 asked)			
3.00	1.60	.	...	Celtic Knit	....	(1.00 bid — asked)			
165	160	8	4.8	Cent. Can. L'n.	....	(145 bid 170 asked)			
100	95	4+1	5.1	Chart. Trust	....	(95 bid 100 asked)			
.70	.14	.	...	Chem Research	200	.20	.22	.22	.22
1.10	.10	.	...	City Gas & El.	300	.20	.25	.20	.20
.15	.05	.	...	Claude Neon	....	(.15 bid .20 asked)			
1.35	1.00	12c	10	Coast Brew.	1500	1.15	1.20	1.15	1.20
11⅞	5	.	...	Cockshutt Plow	880	10¼	10¼	9⅞	9⅞
3⅞	1¼	10c	...	Comm. Alcohol	1800	3¼	3¼	3	3¼
6¼	4⅞	40c	6.3	Do. pref.	25	6⅞	6⅞	6⅞	6⅞
4¼	3	30c	6.7	Conduits Nat.	....	(4 bid 4⅞ asked)			
17¼	12	1+15	6.8	Cons. Bakeries	266	17¼	17¼	17	17
.06	.05	.	...	Cons. Div. Sec.	....	(.06 bid — asked)			
9	6¼	75c	8.3	Do. pref.	....	(9¼ bid — asked)			
9¼	2⅞	.	...	Cons. Paper	17350	8¼	8	7	7¼
9	5	.	...	Cons. Press	....	(8¼ bid 10 asked)			
75	46	1.75	...	Cons. Sand, pf.	....	(46 bid 70 asked)			
61¼	37¼	1+1	4	Cons. Smelters	3307	49⅞	51	49¼	49⅞
183	150	10	6	Consumers' Gas	206	166¼	168	166¼	166¼
45	20¼	.	...	Corr. P. Box, p.	35	40	45	45	45
27	16¼	1.20	4.6	Cosmos Imp.	125	26	27	26	26
105	101	5	4.8	Do. pref.	6	103	105	102¼	102¼
29	21	1.60	5.8	Crown Cork	175	26¼	27¼	27¼	27¼
5	2	.	...	Crown Dom. Oil	....	(2⅞ bid 3 asked)			
35	24	3	...	Crow's N. Coal	....	(26 bid 33 asked)			
4.25	.50	.	...	Cub. Aircraft	685	3.50	3.37	3.12	3.25
				D, E					
17	11	60+30c	6.4	David & Fr. A	....	(14 bid 16 asked)			
2¼	1¼	.	...	Do. (B)	....	(1⅞ bid 2 asked)			
15¼	5	.	...	DeHavilland	12	14¼	12	12	12
90	70	.	...	Do. pref.	....	(60 bid — asked)			
3	2¼	.	...	Disher Steel	....	(2¼ bid 3¼ asked)			
12	9	.	...	Do. pref.	....	(13 bid 13¼ asked)			
20⅞	15	2	10.1	Distill-Seagram	1060	20	20	19¼	20
90	75	5	5.9	Do. pref.	74	83	85	82¼	83
30	30	.	...	Dom. Ang. Inv.	....	(40 bid — asked)			
75	75	5+2.50▲	...	Do. pref.	....	(70 bid 84 asked)			
210¼	185	10	4.7	Dom. Bank	14	205	210	208	208
46⅞	23⅞	1.20	2.9	Dom. Bridge	1479	43	43	39⅞	42¼
22	15	1.50	7	Dom. Coal, pf.	315	21⅞	21¼	20⅞	20⅞
45	20	.	...	Dom. Engineer.	135	42	41	40	40
40¼	19	1	2.7	Dom. Foundries	1015	38¼	38	36⅞	37⅞
110	104¼	6	5.4	Do. pref.	....	(108 bid 109 asked)			
125	105	5	4	Dom. Glass	55	120¼	125	125	125
165	145	7	4.7	Do. pref.	5	145	150	150	150
33	28	1.20+40c	...	Dom. Oilcloth	....	(29 bid 31 asked)			
2	¼	.	...	Dom. Scot. Inv.	....	(1¼ bid 1⅞ asked)			
30	25	1.70	...	Do. pref.	....	(— bid 30 asked)			
18¼	7¼	.	...	Dom. St. & C.B.	8632	17¼	17	15¼	16
7⅞	3	.	...	Dom. Stores	1155	5¼	6	5¼	5⅞
7¼	3¼	.	...	Dom. Tar & Ch.	545	7	7	6¼	6¼
88	69	5.50	6.4	Do. pref.	26	85	86	85	86
90¼	55	5	5.7	Dom. Textile	431	88⅞	88	87	87¼
161	147	7	4.5	Do. pref.	....	(— bid 155 asked)			
10⅞	2	.	...	Donnacona P.A.	2860	9⅞	9⅞	8	8⅞
11	2	.	...	Do. (B)	465	8⅞	8¼	7⅞	8
13	3	.	...	Dryden Paper	1420	12¼	11⅞	10¼	11
1.00	.30	.	...	East Koot. Pr.	....	(— bid 1.25 asked)			
8¼	5¼	.	...	Do. pref.	....	(6 bid 15 asked)			
1.50	.45	.	...	East Dairies	200	1.25	1.25	1.25	1.25
7	2	.	...	Do. pref.	50	6¼	7	6⅞	7
19⅞	11	1	5.3	East Steel	....	(17¼ bid 18¼ asked)			
96	65	7	7.3	East Theat. pf.	....	(85 bid — asked)			
3¼	1¼	.	...	Easy Washing	150	3	3	3	3
30	22	1.75	...	Economic Inv.	....	(25 bid 30 asked)			
15	8	1.20	...	Electrolux	25	9¼	9	9	9
3	¼	.	...	Enam. & Heat.	38	2⅞	3	2¼	3
34	25	2.50	7.3	English Elec.	....	(25 bid 34 asked)			
8¼	2	.	...	Do. (B)	25	6	6	6	6
8	3¼	15c	...	Equitable Life	....	(4¼ bid 5⅞ asked)			
8	5¼	60c	...	European El. A.	....	(7¼ bid 10⅞ asked)			
*.10	.01	.	...	Do. Warrants	....	(— bid — asked)			
				F, G					
8	2⅞	.	...	Fairchild Air.	710	7	7¼	6⅞	6¼
23⅞	18	1	4.9	Fam. Players	....	(— bid 21 asked)			
25	19	1+50c	6.1	Fanny Farmer	2408	24	25	24¼	25
11¼	3¼	.	...	Fleet Aircraft	6050	10¼	10¼	9⅞	9¼
3¼	1	.	...	Fleury Bissell	65	1¼	1	1	1
34	25	.	...	Do. pref.	....	(32 bid 33 asked)			
24¼	16¼	1	4.5	Fird Motor A.	3864	22⅞	23	21⅞	21⅞
24	17¼	1	4.2	Do. (B)	....	(21¼ bid 22¼ asked)			
.35	.15	.	...	For. Pr. Secs.	....	(.20 bid — asked)			
12¼	6¼	.	...	Foundation Co.	....	(9¼ bid — asked)			
23	5	.	...	Fraser Cos.	275	20	19¼	18⅞	19
23¼	5	.	...	Do. Vot. Tr.	4140	21	21¼	17¼	18⅞
.30	.25	.	...	Freiman	....	(— bid — asked)			
38	30	.	...	Do. pref.	....	(10 bid 25 asked)			
16¼	11	80c	5.2	Gatineau Pwr.	1110	15¼	15¼	15	15¼
100¼	78	5	5.3	Do. pref.	430	93	94	93	94
100¼	100	5.50	5.5	Do. 5½% pref.	35	100	100¼	100	100¼
6	2⅞	.	...	Do. Rights	633	5¼	5¼	5¼	5¼
12	4¼	.	...	Gen. St. Wares	1570	10¼	10¼	9¼	9¼
92¼	55	5.25	...	Do. pref.	70	91	90¼	89	89¼
90	66	2.50+5	8.6	Goodyear Tire	69	89	88¼	87	87
58¼	52¼	2.50	4.6	Do. pref.	271	55¼	56¼	54	54
50	50	2	...	Goulds Pump p	....	(— bid — asked)			
9¼	5	.	...	Gt. Lakes Pap.	....	(— bid 9¼ asked)			
28	12	.	...	Do. pref.	....	(— bid 27 asked)			
10¼	2¼	.	...	Do. Vot. Tr. c	193	8¼	8¼	8	8¼
29¼	9¼	.	...	Do. Vot. Tr. p	204	27	27¼	26	27
2.25	.60	.	...	Gt. W Saddlery	....	(1.25 bid 1.75 asked)			
25	8	.	...	Do. pref.	....	(21 bid 30 asked)			
13⅞	9⅞	80c	4.8	Greening Wire	....	(12¼ bid 13¼ asked)			
6¼	4	†30c	...	Gurd, Chas.	1000	5¼	6¼	5¼	5¼
108	107	7	6.7	Do. pref.	....	(103 bid 105 asked)			
7	3	.	...	Gypsum, Lime	1550	5	5¼	4⅞	4⅞
				H, I					
9¼	6	.	...	Ham. Bridge	2650	7⅞	7⅞	7¼	7¼
35	22	2	5.9	Ham. Cot. pf.	140	35	35	34	35
1.00	.45	.	...	Ham. U. Theat.	....	(1.00 bid 2.00 asked)			
65	49¼	6	9.2	Do. pref.	....	(60 bid — asked)			
4¼	2¼	20c	5.3	Harding Carpet	550	3⅞	3⅞	3⅞	3⅞
*5	4¼	.	...	Hillcrest Coll.	....	(2 bid 5 asked)			
3¼	1⅞	.	...	Do. pref.	....	(3¼ bid 12 asked)			
15¼	7	50c	3.8	Hinde & Dauch	375	14	14	13	13¼
*20	20	.	...	Holt Renfrew	....	(— bid 15 asked)			
40	35	.	...	Do. pref.	5	35	35	35	35
13	9	.	...	Honey Dew	210	12	13	12	12
20¼	8¼	.	...	H. Smith Pap.	315	19	18	17	17¼
102	88	6	6.1	Do. pref.	50	100	102	99	99
15¼	10	1	6.9	Humberstone S.	....	(11¼ bid 15 asked)			
5	1	.	...	Hunts (A)	....	(2¼ bid 5 asked)			
5	2	.	...	Do. (B)	....	(2¼ bid — asked)			
70⅞	60	4	5.7	Huron & E. Mt.	....	(70 bid 75 asked)			
10	8	80c	...	Do. 20% pd.	....	(10 bid 11 asked)			
4¼	3	20c	6.4	Hydro Electric	....	(1¼ bid — asked)			
221	185	10	4.7	Imperial Bank	26	217	218	215	215
18⅞	12⅞	50+50	5.7	Imperial Oil	9206	18	18¼	17¼	17¼
17	12⅞	40+22½c	4.6	Imperial Tob.	5245	14¼	14⅞	14	14⅞
8	6⅞	6%	...	Do. pref.	....	(— bid 8 asked)			
33	23⅞	2+12½c	8.3	Indust. Accept	75	25	25¼	25¼	25¼
35	20	3	...	Inter-City Bak.	30	20	34	34	34
55	45	4+2	...	Inter'c Coal	....	(47 bid — asked)			
*126	119⅞	8	6.7	Do. pref.	....	(— bid — asked)			
22¼	15	1.50	7.5	Inter. Bronze	170	20¼	20¼	20	20¼
30	20	1.50	5.5	Do. pref.	164	29¼	29	27	27
.30	.25	3c	...	Int. Coal & C.	100	.25	.25	.25	.25
b8¼	3⅞	.	...	Int. Hyd. E.A.	28	5¼	5¼	5	5
14	3¼	.	...	Int. Metal Ind.	1810	13	13¼	12⅞	13¼
105	70	6+4.25▲	5.8	Do. pref.	245	104	104	103¼	103¼
103	70	6+4.25▲	5.8	Do. pref. A	100	103	103	103	103
111	104	5	4.5	Int. Mill., pf.	175	107	111	110¼	110¼
60¼	42⅞	2	4.2	Int. Nickel	5406	47¼	48	46⅞	47¼
3¼	1¼	.	...	Int. Paints	50	3¼	3⅞	3¼	3⅞
19	11⅞	1+25c▲	5.3	Do. pref.	....	(15¼ bid 9 asked)			
b14⅞	6	.	...	Int. Pap. & P.	98	13¼	13	12⅞	12⅞
b52⅞	25¼	.	...	Do. pref.	99	48⅞	49⅞	46⅞	47⅞
29	18⅞	1.50+25	6	Int. Pete.	7714	26⅞	27¼	25⅞	26⅞
4	2	.	...	Int. Power	....	(2¼ bid 3 asked)			
81	67¼	6	8.6	Do. pref.	115	68¼	75	69	75
*11⅞	10¼	.	...	Int. St. Rlty. A.	....	(— bid 12 asked)			
*4	3⅞	.	...	Do. (B)	....	(— bid 4⅞ asked)			
10	5	.	...	Int. Util. A	....	(8 bid — asked)			
1.00	.35	.	...	Do. (B)	685	.75	.75	.60	.60
				J, K, L					
40¼	35¼	2	5.1	Jam. Pub. Ser.	....	(40¼ bid 41 asked)			
133	120	7	5.3	Do. pref.	8	130	133	133	133
12	9	50c	5.3	Kelvinator	10	9¼	10	10	10
28	5	.	...	L. St. John Pr.	56	27	26	25	25
5¼	¼	.	...	Lake Sulphite	....	(2 bid 3 asked)			
28¼	13	.	...	Lake of Woods	545	25⅞	25	22⅞	23¼
126	112	7	5.6	Do. pref.	....	(125 bid — asked)			
65	39	4	10	Landed Bank	10	40	40	40	40
16	9⅞	70c	4.8	Lang, J. A.	35	15	14¼	14¼	14¼
*3	2¼	.	...	Langley's	....	(— bid 1⅞ asked)			
25¼	20	1▲	...	Do. pref.	....	(20 bid 25 asked)			
13¼	10	80c	6.2	Laura Secord	2791	12⅞	13¼	12⅞	13
9¼	4¼	.	...	Legare, pref.	70	8¼	8	7¼	8
5¼	3	.	...	Lindsay, C. W.	25	3	3	3	3
*78	66	.	...	Do. pref.	....	(— bid 49 asked)			
29	22	1+25c	4.4	Loblaw (A)	725	28¼	28⅞	27⅞	28
27¼	21	1+25c	4.7	Do. (B)	417	27	27¼	26⅞	26⅞
				M					
1.05	.45	.	...	Mackenzie Air.	250	.60	.50	.50	.50
3	2	.	...	MacKin. Steel	....	(4 bid — asked)			
62	55	7	...	Do. pref.	....	(65 bid — asked)			
21	8	.	...	Maclaren Pr.	776	18	18	16	16
7	3¼	.	...	M. L. Gardens	7	4¼	7	4¼	7
8	5	70c	11.2	Do. pref.	28	6¼	6¼	6¼	6¼
7	1	.	...	Maple Leaf M.	929	5¼	5¼	5	5
10¼	2¼	.	...	Do. pref.	400	9¼	9¼	7⅞	9
16	15⅞	70+21c	...	Maritime Tele.	....	(15¼ bid — asked)			
17	16⅞	70c	4.2	Do. pref.	....	(16¼ bid — asked)			
15⅞	12	.	...	Marcus Loew's	....	(12 Sept. 28)			
*115	115	7+22.75▲	...	Do. pref.	....	(— bid — asked)			
9¼	2⅞	.	...	Massey-Harris	8537	7⅞	8¼	7¼	7¼
63	29¼	.	...	Do. pref.	4445	57⅞	63	55	62
9⅞	5	.	...	McColl Fron.	488	9	8⅞	8	8¼
98	92¼	6	6.2	Do. pref.	446	96	97	95	96¼
2.00	1.20	.	...	Melchers	75	1.75	1.75	1.75	1.75
7	4	60c	10	Do. pref.	238	6¼	6¼	6	6⅞
1¼	1¼	.	...	Mercantile Tr'm	....	(— bid — asked)			
5	5	3%	...	Do. pref.	....	(— bid — asked)			
*2¼	2¼	.	...	Mercury Mills	....	(— bid — asked)			
25¼	5¼	.	...	Do. pref.	65	17	17	16¼	17
52	50	2	4	Mitchell, J. S.	....	(50 bid — asked)			
113	112	7	6.2	Do. pref.	....	(112 bid — asked)			
20	6	.	...	Mitchell, Robt.	125	15¼	15¼	14¼	14¼
3¼	1	.	...	Monarch Knit.	....	(2¼ bid 5 asked)			
52	19¼	.	...	Do. pref.	....	(40 bid — asked)			
55	33	2	3.6	Montreal Cot.	10	55	55	55	55
101	98	7	6.9	Do. pref.	....	(— bid 115 asked)			
1.50	.50	.	...	Mont. Is Pr.	....	(.25 bid 2.25 asked)			
33	26	1.50	4.9	Mont. L. & Pr.	10421	30	30¼	29⅞	30¼
51⅞	41⅞	.	...	Do. Notes	47	50	49⅞	49¼	49⅞
28	25	2	8	Montreal Loan	....	(30 bid 30¼ asked)			
1.00	.50	.	...	Mtl. Refrig & S	....	(.50 Aug. 28)			
12⅞	10	1.25	...	Do. pref.	....	(10 Aug. 28)			
60	50	3.20	6.4	Montreal Tele.	....	(— bid 50 asked)			
73	58	6	10.3	Montreal Trams	124	60	59	57	57
45¼	35	1.60+40c	4.5	Moore Corp.	527	44⅞	45	44	44
182	150	7	3.9	Do. pref. (A)	5	178	179	179	179
267	208	7	2.6	Do. pref. (B)	....	(260 bid 265 asked)			
.10	.10	.	...	Muirheads	100	.10	.10	.10	.10
*4	2⅞	.	...	Do. pref.	....	(— bid 3¼ asked)			
				N, O					
43	31	2	5.5	Nat. Breweries	543	37⅞	37⅞	36	36
45¼	35	1.75	4.3	Do. pref.	55	40	40¼	40¼	40¼
7⅞	4¼	.	...	Nat. Grocers	65	7¼	7¼	7	7
25⅞	23	1.50	5.9	Do. pref.	115	25	25¼	25¼	25¼
13¼	8	.	...	N. Sew. Pipe A.	50	10	8¼	8¼	8¼
76¼	39¼	2	2.9	Nat. Steel Car.	1938	70	70	69	69
205	190	8	4.1	National Tr.	10	190	195	195	195
7¼	7¼	50c	6.9	Neon Inv.	....	(— bid 8¼ asked)			
28	16	1	4.2	Niag. W. Weav.	250	26¼	24	22	22
1.25	.40	.	...	North Star Oil	100	.75	1.00	1.00	1.00
3⅞	3	35c	9.7	Do. pref.	120	3¼	3⅞	3⅞	3⅞
95¼	92	6	6.4	N. S. L. & Pr.	....	(91 bid — asked)			
107	102	6	5.7	Do. pref.	....	(104¼ bid — asked)			
*15	9	.	...	N. S. Steel, pf.	....	(— bid — asked)			
35⅞	23	1	3.1	Ogilvie Flour	335	34¼	34	31⅞	31⅞
170	150	7	4.4	Do. pref.	23	156	157	153	157
112	98¼	5	5.1	Ontario Loan	....	(105 bid 115 asked)			
*7¼	4⅞	.	...	Ont. Silknit	....	(— bid 5 asked)			
25	7¼	.	...	Do. pref.	10	25	25	25	25
14¼	6	.	...	Ont. Steel	60	12	13	12	13
110	90	7	6.4	Do. pref.	....	(110 Oct. 12)			
5	1¼	.	...	Orange Crush	244	4¼	4¼	4¼	4¼
7⅞	4	70c	9.6	Do. pref.	100	6¼	7¼	7¼	7¼
75	55	2	3.2	Ottawa Car	60	63	65	62	62
8¼	4	.	...	Ottawa El. Rly.	10	7¼	6¼	6¼	6¼
15¼	14	1	6.7	Ott. L. H. & Pr.	100	15¼	15	15	15
102	98	5	5	Do. pref.	10	99¼	100	100	100
				P, Q, R					
20	10	3c	...	Pacific Coyle	502	20	20	20	20
110	93	4	3.7	Page Hersey	200	110	109¼	108¼	109
7	4⅞	.	...	Pantepec Oil	....	(5 bid 5⅞ asked)			
20	5	50c	...	Paton Mfg.	25	17	20	20	20
115	100	7	6.1	Do. pref.	....	(110 bid — asked)			
65	38	3	4.8	Penmans	170	63	63¼	61⅞	62¼
130¼	115	6	4.6	Do. pref.	....	(130 bid — asked)			
20	15	1	5.4	Photo Eng.	....	(17¼ bid 18¼ asked)			
101	95¼	7	7	Porto Rico Pr p	5	98	100	100	100
12¼	7	60c	5.4	Power Corp.	1020	11¼	11¼	10⅞	11
105	96	6	5.9	Do. pref.	5	101	101	101	101
47	41	3	7.3	Do. 2nd pfd.	....	(42¼ bid — asked)			
13	5	.	...	Pressed Metals	10	12	11¼	11¼	11¼
24	6¼	.	...	Price Bros.	4065	22	22	19⅞	20¼
66¼	36	.	...	Do. pref.	500	66	66¼	66	66
8	5¼	20c	2.8	Prov. Transport	835	6¼	7	6	7
19	15	1	6.2	Quebec Power	423	16¼	17	16	16¼
5	4¼	.	...	Quebec Teleph.	....	(4¼ bid 5 asked)			
35	30	2	6.7	Real Estate L'n	48	30	30	30	30
7¼	2	.	...	Regent Knit	190	7	7¼	6⅞	7
21	17	.	...	Do. pref.	....	(17 bid 18 asked)			
2⅞	2	25c	...	Reinhardt Brew	65	2	2¼	2¼	2¼
6¼	1¼	.	...	Reliance Grain	25	6¼	5¼	5¼	5¼
*12¼	10¼	80c	...	Remington R'd.	....	(10¼ bid — asked)			
28	22¼	2	7.2	River S. Mill	85	28	28	28	28
4¼	1¼	.	...	Rogers Majest.	230	4	3	3	3
11¼	7	50c	...	Rolland Pap.	....	(— bid 16 asked)			
18	6	50c	...	Do. Vot Trust	....	(15 bid 16¼ asked)			
99	90	6	6.1	Do. pref.	....	(95 bid 98 asked)			
193	140	8	4.4	Royal Bank	59	179	180¼	178	179
100	71	7	7	Russell Indust.	....	(112¼ bid — asked)			
131	112	7	5.3	Do. pref.	....	(131 bid 139 asked)			
				S					
107¼	100	5.50	5.2	Saguenay Pr. p	180	102¼	107¼	107	107
22	17¼	1	4.5	Sangamo	....	(23 bid 26 asked)			
8	4	.	...	Sarnia Br. (A)	....	(6¼ bid 7¼ asked)			
6	2	.	...	Do. (B)	....	(2¼ bid 4 asked)			
25	18¼	90c	3.8	Shawinigan Pr.	2991	24¼	24⅞	23	23¼
14¼	10	.	...	Sher. Wms.	50	12¼	12¼	12¼	12¼
115	103	7	6.4	Do. pref.	....	(112 bid 115 asked)			
5	1¼	.	...	Silverwoods	269	5	5	5	5
7¼	3¼	40c+20▲	5.7	Do. pref.	305	7	7¼	7	7¼
9	7	60c	8.2	Simon & Son	....	(8 bid 9 asked)			
106	102	7	6.7	Do. pref.	....	(— bid 110 asked)			
19	9¼	.	...	Simpson, A.	25	15	18	18	18
8	1⅞	.	...	Do. (B)	25	7¼	8	8	8
96¼	78	5+1	5.2	Do. pref.	88	95¼	96	94¼	95¼
138¼	115	6	4.4	Simpson, R., pf.	15	136	136	136	136
14	10	80c	5.7	So. Can. Pr.	550	14	14	14	14
112¼	106	6	5.5	Do. pref.	22	108¼	109	108	109
6¼	1¼	.	...	St. Law. Corp.	1365	5¼	5¼	5¼	5¼
19⅞	6	.	...	Do. (A)	1503	19	18⅞	17	18
32	17¼	1+50c	5	St. Law. Flour	35	30	30	30	30
125	111	7	5.8	Do. pref.	....	(120 bid 125 asked)			
49¼	21	.	...	St. Law. Pap. p.	450	46	46	43	43
10⅞	3	50c	4.6	Stand. Chem.	25	10	10⅞	10⅞	10⅞
1	1	.	...	Stand. Clay	....	(1 bid — asked)			
3.50	.70	.	...	St. Pav. & Mat.	110	1.10	1.10	1.00	1.00
5¼	2¼	.	...	Do. pref.	20	4	4⅞	4⅞	4⅞
42	35	3	7.7	Stand. Steel, pf.	....	(— bid 43 asked)			
21¼	16⅞	60+40c	5	Stedman Bros.	....	(20¼ bid 21¼ asked)			
89	66¼	1.75‡	4.3	Steel of Can.	1360	86¼	86¼	84¼	85¼
85	66¼	1.75	2.1	Do. pref.	1104	83¼	83¼	82	83¼
4	2	.	...	Sterling Coal	....	(— bid 4¼ asked)			
.30	.15	.	...	Stop & Shop	....	(— bid .20 asked)			
10	6¼	80c	8	Stuart, D.A. pf.	....	(11 bid 14 asked)			
4¼	2	.	...	Supersilk, H. A.	....	(3 bid 3¼ asked)			
4⅞	2⅞	.	...	Do. (B)	....	(4 bid — asked)			
85	71	5	6.2	Do. pref.	45	78	80	80	80
38⅞	32	1+25c	3.9	Sup. Pete. ord.	....	(31¼ bid 35 asked)			
37¼	35	1+25c	3.3	Do. com.	....	(34 bid — asked)			
				T, U, V					
13	10	80c	6.7	Tamblyn	50	12	12	12	12
54	52	2.50	4.8	Do. pref.	....	(52 bid 52¼ asked)			
4	2¼	.	...	Thayers	22	2¼	2¼	2¼	2¼
35	30	3.50	10	Do. pref.	....	(33¼ bid 38 asked)			
*.50	.25	.	...	Thrift Stores	....	(.25 bid 1.00 asked)			
8	2¼	.	...	Do. pref.	....	(— bid 8 asked)			
15	8¼	60c	...	Tip Top Tailors	....	(12⅞ bid 14 asked)			
109¼	95	7	6.5	Do. pref.	3	109¼	106⅞	106⅞	106⅞
3¼	1	.	...	Tooke Bros.	....	(2¼ bid 3 asked)			
15¼	5	.	...	Do. pref.	....	(10¼ bid 14 asked)			
30¼	10	.	...	Tor. Elevators	635	29¼	30	28¼	29
49¼	41¼	2.62½	5.3	Do. pref.	465	49	49¼	48¼	48¼
90	79	4	5	Tor. Gen. Tr.	19	80	80	80	80
113	94	6	6.2	Toronto Mtge.	17	94	96	94	94
170	150	7	4.5	Tuckett Tob. p.	....	(149 bid 155 asked)			
3	2	.	...	Twin City	150	2	2¼	2¼	2¼
15¼	11	80+20c	6.6	Union Gas	1132	15¼	15¼	15	15¼
14¼	11	75c	6	Un. Amuse. A.	300	11¼	12¼	11⅞	12¼
14	10¼	75c	6.5	Do. (B)	....	(11¼ bid — asked)			
1.05	.90	.	...	Un. Cigar-W.	....	(1.00 July 31)			
.75	.50	.	...	United Distill.	....	(.50 bid .60 asked)			
39	35	3	7.9	United Fuel, pf.	665	38	38¼	38	38
6	2⅞	.	...	Do. (B)	560	5¼	6	5¼	6
6¼	4¼	.	...	United Secs.	....	(— bid 5¼ asked)			
7¼	3	.	...	United Steel	3685	6⅞	6⅞	6	6¼
3⅞	2	.	...	Viau Bisc.	....	(— bid 3¼ asked)			
55¼	47	5	9.6	Do. pref.	....	(52 Oct. 13)			
				W, Y, Z					
33	12	1	3.5	Wabasso Cot.	175	28	28¼	28	28¼
51	33¼	4	9.3	Walker-Good.	1210	43	43¼	41⅞	43¼
20⅞	16¼	1	5	Do. pref.	848	19⅞	20	19⅞	19⅞
1.40	.70	.	...	Walkerville Br.	....	(.95 bid 1.00 asked)			
*125	123	7	5.6	W. Koot. Pr. pf	....	(— bid — asked)			
7¼	2	.	...	West. C. Flour	....	(3 bid 4¼ asked)			
50	15	.	...	Do. pref.	10	38	35	35	35
50	45	3	6	West Grocers	....	(— bid 54 asked)			
114	103¼	7	6.4	Do. pref.	....	(108 bid 110 asked)			
11	10¼	50c	4.5	W'minster Pap.	....	(12 bid — asked)			
13	9¼	80c	6.3	Weston Ltd.	677	12⅞	12⅞	12⅞	12⅞
96	85	5	5.4	Do. pref.	50	92	92	90	90
24	17	1	4.2	Wilsils	170	24	23⅞	23	23
3¼	1	.	...	Winnipeg El. A	308	2¼	2⅞	2¼	2¼
3¼	1	.	...	Do. (B)	431	3	2¼	2¼	2¼
15	6	.	...	Do. pref.	165	12	11¼	10	10¼
70	60	7	...	Wood, A. & J. p	....	(65¼ bid 78 asked)			
51	17¼	.	...	Woods Mfg. pf.	10	50	45	45	45
8	4	.	...	York Knitting	148	7¼	7⅞	7¼	7¼
100	100	7	7	Do. 1st pref.	....	(100 Jan. 4)			
9	7	.	...	Zellers	500	8¼	8⅞	8¼	8⅞
25	22	1.50	6.5	Do. pref.	45	23	23	23	23

Quotations: *1938. *1937. b New York quotations.
▲ On account of arrears.
‡ Plus extra of $2 paid Feb. 1, 1939.
† Interim.

Mining Stocks

Week Ending November 13.

Par Val.	Range 1939 High	Low	Company	Sales	Close Nov. 6 (or last)	High for week	Low for week	Close Nov. 13
			A					
1	.04	.01¼	Afton	500	.01¼	.02	.02	.02
No	.65	.24	Aldermac	23,700	.46	.45	.41	.42
1	.17	.04¼	Amm. Gold	1,500	.05	.06	.06	.06
No	3.25	2.00	Anglo-Huronian	144	2.50	2.55	2.50	2.55
No	.02	.01	Arno	......	(.01 bid .02 asked)			
1	.17¼	.05¼	Arntfield	......	(.09 bid .10 asked)			
1	.10¼	.04¼	Ashley	900	.05¼	.06¼	.06¼	.06¼
1	.06¼	.01	Astoria Quebec	1,500	.02¼	.02¼	.02¼	.02¼
1	2.87	1.65	Aunor Gold	31,722	2.00	2.22	2.00	2.19
			B					
1	.23	.06	Bagamac	11,625	.09	.12	.10	.11
1	.38	.15	Bankfield	1,000	.21	.21	.20	.20
No	.34	.10	Base Metals	4,200	.21	.22	.18	.18
1	.32	.05	Bear Exploration	2,400	.05¼	.05¼	.05¼	.05¼
No	1.40	.92	Beattie Gold	2,850	1.13	1.13	1.07	1.10
1	.16¼	.07¼	Beaufor	7,300	.15	.15	.15	.15
1	.30	.09¼	Bidgood Kirk	5,500	.14¼	.14	.13	.13¼
1	.35	.08	Big Missouri	150	.13	.11¼	.11	.11¼
1	.22	.05¼	Bobjo	17,142	.09	.09	.08¼	.08¼
1	.12	.04	Bouscadillac G.M.	......	(.03¼ bid .05 asked)			
No	12.50	9.10	Bralorne	1,580	10.50	10.87	10.37	10.87
1	.08	.03	Brasil Gold	......	(.03¼ bid .06 asked)			
1	.03¼	.01	Brett Trethewey	9,000	.01¼	.01¼	.01	.01
1	.75	.19	Broulan Porc.	74,900	.40¼	.45	.40	.43
1	15.50	5.75	Buffalo Ankerite	885	7.25	7.40	7.25	7.40
No	.05	.01	Buffalo Can.	4,000	.02¼	.03¼	.03	.03¼
5	28.00	17.75	Bulolo Gold	225	24.00	25.50	23.50	25.50
No	.11¼	.02	Bunker Hill	1,500	.02¼	.02¼	.02¼	.02¼
			C					
No	1.03	.48	Can. Malartic	3,250	.75	.72	.68	.70
1	.03¼	.01	Capital Rouyn	......	(.01 bid .01¼ asked)			
1	2.40	1.70	Cariboo Gold	500	2.25	2.20	2.15	2.15
1	.06	.01¼	Cartier Malartic	1,700	.02	.02	.01¼	.01¼
1	1.05	.50	Castle Trethewey	2,500	.65	.65¼	.65	.65
1	.25¼	.09	Cen. Cadillac	2,800	.15	.15¼	.15	.15
1	2.75	1.91	Cen. Patricia	3,550	2.35	2.35	2.30	2.30
1	.14¼	.05	Cen. Porcupine	1,300	.07¼	.07¼	.07	.07¼
1	.25	.14	Century Mining	500	.15	.14	.14	.14
1	1.39	.62	Chesterville	21,725	.80	.85¼	.75	.85¼
No	.88	.40	Chromium	3,750	.65	.65	.60	.60
5	4.50	1.50	Coast Copper	......	(2.05 bid 2.50 asked)			
5	2.00	1.25	Coniagas	100	1.35	1.65	1.65	1.65
No	2.34	1.10	Coniaurum	2,690	1.72	1.70	1.62	1.64
1	.30	.10	Con. Chibougamau	250	.13	.14	.10	.14
5	61.25	37.50	Cons. Smelters	3,307	49.75	51.00	49.50	49.75
			D, E					
1	.17	.05	Denison Nickel	4,000	.09	.10	.08	.08
No	34.25	23.00	Dome Mines	1,870	29.00	30.00	29.00	29.75
1	.06	.02	Dom. Explorers	......	(.01¼ bid .03 asked)			
1	.09¼	.03	Dorval Siscoe	5,300	.03¼	.03¼	.03	.03¼
1	.08	.01¼	Duparquet	2,500	.01¼	.02	.02	.02
1	.27	.05	Duquesne	1,900	.08	.08	.08	.08
1	3.10	2.00	East Malartic	21,875	3.00	3.10	2.90	2.91
1	2.36	.74	Eldorado	6,140	1.14	1.12	1.07	1.07
			F, G					
No	6.75	4.50	Falconbridge	2,600	5.10	5.10	4.60	4.60
1	.08¼	.02	Federal	9,000	.04¼	.04	.03¼	.03¼
1	.17	.02¼	Fernland	1,000	.03	.03	.03	.03
No	.77	.15	Francoeur Gold	19,400	.40	.45	.40	.40
1	.11¼	.04	Gillies Lake	4,400	.05¼	.06	.05	.06
1	.05	.01¼	Glenora	1,000	.02	.02	.02	.02
No	.61	.20	God's Lake	22,900	.58	.60	.59	.59
1	.28	.15	Goldale	3,100	.19¼	.19¼	.17	.17
50c.	.63	.19	Gold Belt	......	(.... bid .28 asked)			
1	.19	.04¼	Gold Eagle	14,900	.18	.18¼	.17	.17¼
1	.25	.22	Golden Gate	21,100		.25	.22	.22¼
1	.03¼	.01	Goodfish	......	(.01 bid .02¼ asked)			
1	.04	.01¼	Graham Bosquet	2,500	.02¼	.02¼	.02¼	.02¼
No	.07	.04¼	Grandora	......	(.05¼ bid .06¼ asked)			
1	.02¼	.01¼	Grull Wihksne	......	(.01 bid .04 asked)			
1	.64	.35	Gunnar Gold	2,900	.50	.50	.48	.50
			H, I, J					
1	.03¼	.00⅞	Halcrow Swayze	1,000	.01¼	.01⅞	.01⅞	.01⅞
1	.08	.01¼	Halliwell Gold	......	(.02¼ bid .02¼ asked)			
1	1.95	.70	Hard Rock	22,180	1.18	1.25	1.16	1.15
1	.10	.04	Harker	6,500	.06¼	.06	.05¼	.05¼
1	1.58	.28	Hedley Mascot	500	.42	.43	.43	.43
5	15.50	12.00	Hollinger	3,805	14.50	14.63	14.37	14.50
1	.37	.22	Howey Gold	8,300	.33	.33	.32	.32
No	40.00	25.50	Hudson Bay	5,200	34.25	34.75	33.50	34.00
1	.45	.15	Inspiration	1,400	.32	.30	.28	.28
1	9.87	7.00	Inter. Mining	......	(9.87 Sept. 5)			
No	60.12	42.75	Int. Nickel	5,406	47.75	48.00	46.75	47.75
50c.	1.26	.70	Island Mountain	500	.95	1.00	1.00	1.00
1	.11¼	.02	Jacola	2,000	.04¼	.04	.04	.04
1	.50	.16¼	Jack Waite	......	(.32 bid .35 asked)			
1	.22	.05	Jellicoe	214	.09¼	.09¼	.09¼	.09¼
1	.11	.02	J. M. Cons. Gold	2,057	.03¼	.03¼	.02¼	.03¼
1	.06¼	.02	Joliet Quebec	3,000	.02	.02	.02	.02
			K, L					
1	2.14	1.47	Kerr Addison	11,955	1.94	1.99	1.94	1.97
1	.65	.30	Kerr Lake	......	(.25 bid 1.00 asked)			
1	.10	.01¼	Kirk. Gold Rand.	......	(.02¼ bid .... asked)			
1	.73	.16	Kirk. Hud. Bay	2,000	.20	.18	.16	.17
1	1.75	1.00	Kirkland Lake	12,285	1.36	1.37	1.33	1.35
1	.13¼	.06	Kirk. Townsite	2,000	.08	.10	.10	.10
1	50.50	29.50	Lake Shore	7,355	29.37	30.50	29.50	29.63
1	7.30	5.20	Lamaque Gold	1,606	7.00	6.80	6.60	6.75
1	.54	.10	Lapa Cadillac	3,640	.13	.13¼	.13	.13
1	.85	.59	Lava Cap	......	(.81 bid 1.00 asked)			
1	.08¼	.01	Lebel Oro	17,500	.02	.02	.01¼	.02
1	.90	.58	Leitch Gold	8,250	.79	.80	.79	.80
No	3.60	2.30	Little Long Lac	1,675	3.10	3.15	3.00	3.05
			M					
1	5.90	3.50	Macassa	4,155	4.25	4.40	4.20	4.25
1	3.20	1.30	MacLeod Cockshutt	17,641	2.05	2.15	2.03	2.05
1	.55	.22	Madsen Red Lake	14,400	.46	.47	.44	.44
1	.75	.35	Malartic Gold	45,600	.70	.72	.69	.71
No	.23	.08	Mandy	......	(.12 bid .14¼ asked)			
No	.02¼	.00⅞	Man. & Eastern	......	(.10 bid .02 asked)			
1	.07	.01	Maralgo	......	(.03¼ bid .04 asked)			
5	59.63	45.00	McIntyre	65	57.00	56.50	56.00	56.50
1	1.38	1.00	McKenzie R. L.	21,175	1.21	1.27	1.20	1.26
1	.20¼	.06	McVittie Graham	4,900	.11	.09	.09	.09
No	.75	.35	McWatters	22,492	.57	.57	.55	.55¼
5	.35	.30	Mentor Exploration	......	(.31 May 17)			
No	2.05	1.00	Mining Corp.	1,785	1.28	1.27	1.21	1.25
No	.03	.01¼	Minto Mines	3,000	.02	.02	.02	.02
1	1.45	.65	Moneta	4,450	.91	.91	.88	.90
1	.20	.04	Morris Kirk.	93,033	.06	.06⅞	.05¼	.06¼
1	.02¼	.01	Murphy	......	(.01 bid .01¼ asked)			
			N, O					
1	.51¼	.08¼	Naybob	11,000	.13¼	.14¼	.13	.14¼
No	.09	.02	Newbec	1,000	.04	.03¼	.03¼	.03¼
1	.25	.05	New Golden Rose	......	(.08 bid .16 asked)			
5	1.80	1.00	Nipissing	1,700	1.40	1.37	1.31	1.35
No	84.00	69.00	Noranda	7,181	77.12	78.37	75.12	75.50
No	.60	.40	Nor. Canada	......	(.49 bid .52 asked)			
1	.06¼	.02	Norgold	......	(.02¼ bid .05 asked)			
1	.95	.30	Normetals	625	.60	.62	.50	.55
1	9.50	7.50	Northern Empire	160	9.25	9.50	8.75	9.50
1	3.25	1.20	O'Brien	19,040	1.75	1.67	1.46	1.51
1	.53	.20	Omega	4,100	.24	.23	.21	.21
1	.52¼	.15	Oro Plata	1,000	.28	.25	.25	.25
1	.14	.07	Osisko	......	(.07 bid .10 asked)			
			P, Q, R					
No	4.85	1.65	Pamour	3,050	2.16	2.19	2.05	2.05
1	.16	.02¼	Pandora	200	.04¼	.04	.04	.04
1	2.55	2.00	Pato Cons. G.	200	2.40	2.35	2.35	2.35
1	.07¼	.02¼	Partanen Mal.	2,500	.03	.03	.02¼	.02¼
1	.02	.00⅞	Pawnee Kirk.	......	(.00⅞ bid .01¼ asked)			
1	.61	.28	Paymaster	8,408	.35	.36¼	.34	.34
1	3.95	1.01	Pend Oreille	18,210	2.55	2.65	2.28	2.65
1	2.05	1.40	Perron Gold	2,075	1.90	1.93	1.85	1.87
1	5.60	3.50	Pickle Crow	4,575	4.30	4.35	4.20	4.20
1	2.70	2.00	Pioneer Gold B.C.	1,765	2.20	2.25	2.16	2.20
100	14.50	10.00	Placer Devel.	100	10.50	12.00	12.00	12.00
1	2.45	1.18	Powell Rouyn	3,900	1.80	1.79	1.73	1.77
1	2.40	1.10	Premier Gold	1,100	1.40	1.42	1.41	1.42
1	1.98	1.10	Preston E. Dome	49,125	1.88	1.98	1.82	1.95
No	.58	.40	Prospectors Air's	......	(.... bid .50 asked)			
1	.65	.24	Quebec Gold	500	.30	.30	.30	.30
No	.15	.04	Quemont	......	(.05 bid .... asked)			
No	.09	.02	Red Crest	4,500	.02¼	.03	.03	.03
1	.56	.20	Reno Gold	3,700	.50	.50¼	.50	.50
1	.59	.20	Reeves McDonald	......	(.... bid .30 asked)			
1	.01¼	.00¼	Robb Montbray	500	.00⅞	.00⅞	.00⅞	.00⅞
1	[illegible]	.05¼	Roche Long Lac	2,500	.05¼	.06	.06¼	.06¼
			S, T, U, V, W, Y					
1	2.03	1.18	San Antonio	10,158	1.75	1.78	1.75	1.75
1	.17	.05	Sand River	2,200	.11	.11	.10	.10
1	.51	.17	Senator Rouyn	35,300	.36	.39¼	.34	.35
1	.04¼	.02	Shawkey	......	(.02¼ bid .03 asked)			
50c.	1.25	.90	Sheep Creek	1,700	1.12	1.15	1.12	1.15
1	2.00	.75	Sherritt Gordon	21,476	1.30	1.31	1.22	1.34
1	8.75	5.20	Sigma Mines	1,080	7.50	8.75	7.75	8.75
1	1.65	.80	Siscoe	11,325	.84	.86	.80	.84
1	.80	.21	Sladen Malartic	14,800	.45	.46	.39¼	.40
1	.13¼	.02¼	Slave Lake	56,030	.12¼	.12¼	.09	.09
No	1.03	.25	Stadacona	96,128	.39	.42	.37	.40¼
1	.15¼	.06¼	St. Anthony	5,200	.11¼	.12	.11	.11
No	1.03	1.50	Steep Rock Iron	6,625	1.80	1.80	1.65	1.68
No	.11	.02¼	Straw Lake	20,800	.04¼	.04¼	.04¼	.04¼
1	.24¼	.09	Sturgeon River	5,000	.11¼	.11¼		.11¼
No	3.00	1.70	Sudbury Basin	910	2.15	2.20	2.10	2.11
1	.14¼	.04	Sudbury Contact	1,000	.06	.04¼	.04¼	.04¼
1	1.01	.58	Sullivan Cons.	2,371	.80	.80	.73	.75
1	3.55	2.70	Sylvanite	11,350	3.20	3.15	2.92	2.95
1	4.70	3.75	Teck Hughes	4,515	4.10	4.15	4.00	4.05
1	.14¼	.04¼	Temiskaming	7,000	.08	.09	.08	.08¼
1	2.30	1.25	Toburn Gold	200	1.60	1.62	1.62	1.62
1	.44	.19	Towagmac	500	.30	.28	.25	.28
1	1.65	.65	Uchi Gold	2,000	.87	.86	.83	.83
	97.75	86.00	Do., Bonds	32,000	95.75	96.00	96.00	96.00
1	.71	.52	Upper Canada	9,125	.69	.68	.60	.68
No	5.80	3.75	Ventures	990	4.40	4.45	4.30	4.45
No	8.25	5.00	Waite Amulet	8,072	6.00	6.10	5.85	6.10
1	.15	.06¼	Wendigo	6,000	.12	.11	.10	.11
No	.01¼	.00¼	White Eagle	......	(.00¼ bid .01 asked)			
1	.08¼	.01¼	Whitewater Mines	2,000	.04	.04¼	.04¼	.04¼
1	.08⅞	.02	Wiltsey Coughlan	500	.03	.03	.03	.03
1	.19	.08	Wood Cadillac	8,799	.15	.16	.14¼	.14¼
No	8.90	6.70	Wright-Hargreaves	6,186	8.10	8.20	8.00	8.20
No	.09	.03	Ymir Girl	1,800	.04¼	.04¼	.04¼	.04¼

Oil Stocks

Par Val.	Range 1939 High	Low	Company	Sales	Close Nov. 6 (or last)	High for week	Low for week	Close Nov. 13
No	.10	.04	Acme Gas & Oil	......	(.04¼ bid .05 asked)			
1	.30	.10	Alta. Pac. Cons.	700	.19	.18	.18	.18
1	.30	.15	Ajax	1,100	.18	.17¼	.17¼	.17¼
No	1.52	.60	Anglo Canadian	18,450	1.10	1.10	1.00	1.01
No	.15¼	.07¼	Anaconda	......	(.08 Nov. 1)			
No	.21¼	.06	Br. Dominion	11,050	.17¼	.19	.15	.16
No	.33	.13	Brown Oil	7,100	.21	.21	.20	.20¼
100	65.00	48.00	Do., pref.	......	(63.00 bid 75.00 asked)			
No	2.80	1.11	Calgary & Ed.	5,600	2.35	2.38	2.10	2.16
1	.65	.20	Calmont	8,400	.41¼	.42	.38	.38
No	.55	.24	Commoil	1,000	.39	.35	.35	.35
No	.36	.21	Common Pete	700	.25	.25	.25	.25
No	.75	.25	Dalhousie	3,895	.55	.55	.48	.48
No	.60	.18	Davies Pete	9,420	.28¼	.29	.25	.25
No	.13	.04¼	East Crest	1,600	.06¼	.06¼	.06¼	.06¼
No	.27	.19¼	Extension Oil	3,500	.23¼	.25	.24	.24
25c.	.13	.07	Firestone Pete	1,500	.08	.09	.08¼	.09
No	1.45	.40	Foothills	2,200	.70	.70	.65	.65
25c.	.14¼	.06¼	Foundation Pete	300	.12	.14	.14	.14
50c.	.08	.06¼	Grease Creek Pete	......	(.08 Sept. 13)			
No	.20	.10	Hargal	......	(.18¼ bid .... asked)			
No	.35	.08	High Sarcee	750	.21	.20¼	.20	.20
No	3.75	1.23	Home	39,675	2.75	2.77	2.37	2.43
1	.26¼	.05	Homestead O. & G.	19,000	.07¼	.08	.07¼	.07¼
No	.23	.08	McD. Segur	100	.13	.15	.15	.15
No	.07	.03	Merland	1,000	.03¼	.03¼	.03¼	.03¼
1	.48	.20	Model	100	.26	.25	.25	.25
25c.	.12¼	.06	Monarch Royalties	1,500	.08	.08¼	.08	.08¼
1	.13	.04	Nordon	1,500	.06	.06	.05⅞	.05⅞
No	.03¼	.01¼	Oil Selections	......	(.01¼ bid .02¼ asked)			
No	1.73	.67	Okalta	1,925	1.25	1.23	1.05	1.15
1	.12	.03	Pacalta	2,000	.05	.05¼	.05	.05¼
1	.44	.34	Pacific Pete	2,800	.44	.40	.34	.34
1	.30	.25	Petrol Oil & Gas	......	(.25 bid .50 asked)			
25c.	.25	.17	Prairie Royalties	......	(.21 bid .22¼ asked)			
No	45.63	26.00	Royalite	655	40.00	40.00	38.00	39.50
No	.75	.25	South West Pete	......	(.40 bid .... asked)			
No	.11¼	.04	South End	......	(.04¼ bid .... asked)			
No	1.30	.60	Texas Can.	1,900	.76	.80	.71	.71
No	.15¼	.07	United Oils	100	.09	.10¼	.10¼	.10¼
No	1.00	.35	Vulcan	......	(.50 bid .55 asked)			
No	.08¼	.04	West Flank	......	(.03¼ bid .04 asked)			

Vancouver Stocks

Par Val.	Range 1939 High	Low	Company	Sales	Close Nov. 6 (or last)	High for week	Low for week	Close Nov. 13
1	.30	.10	Big Missouri	200	.12¼	.11¼	.11¼	.11¼
25c.	.01¼	.00¼	Bluebird	5,000	.00¾	.00¾	.00¾	.00¾
No	12.50	9.00	Bralorne	1,800	10.50	10.90	10.50	10.90
1	.03¼	.02	Bridge River Cons.	......	(.02 bid .03 asked)			
1	2.40	1.70	Cariboo Gold	750	2.20	2.16	2.15	2.15
No	.06¼	.01¼	Dentonia	......	(.01¼ bid .02 asked)			
No	.07	.01¼	Fairview Amal.	4,000	.02¼	.02¼	.02	.02
1	.01¼	.00¼	Federal Gold	......	(.00¾ bid .01 asked)			
1	.40	.20	George Copper	......	.25 (Oct. 25)			
1	.10	.03	Golconda	3,000	.05	.05	.05	.05
50c.	.62	.15	Gold Belt	1,650	.24	.23	.22	.22
50c.	.19	.03¼	Grandview	4,600	.11¼	.12	.11	.12
1	.03¼	.01	Grull Wihksne	7,000	.01¼	.01¼	.01¼	.01¼
1	1.54	.26	Hedley Mascot	4,400	.45	.45	.44	.44
No	.01	.00¼	Home Gold	......	(.00¾ bid .00⅞ asked)			
1	.01¼	.00¼	Indian Mines	......	(.01 bid .... asked)			
50c.	1.40	.75	Island Mountain	1,700	.91	1.00	.90	1.00
1	.34	.27	Inter'l Coal	......	(.... bid .30 asked)			
50c.	1.55	.60	Kootenay Belle	100	.68	.70	.70	.70
10c.	.05	.01	Lucky Jim	37,500	.03	.03¼	.03	.03
No	.02	.00¼	Mak Siccar	......	(.00¾ bid .... asked)			
10c.	.70	.28	Metaline Mining	......	(.70 Sept. 27)			
1	.23	.21	McGillivray Creek	......	(.... bid .23 asked)			
No	.03	.01	Minto Mines	......	(.01¼ bid .02 asked)			
50c.	.04¼	.02	Nicola	2,000	.03¼	.03	.03	.03
50c.	.05	.01	Noble Five	11,000	.02¼	.02¼	.02¼	.02¼
1	.22	.10	Pacific Nickel	125	.12	.13	.13	.13
1	4.00	1.20	Pend Oreille	2,150	2.25	2.75	2.30	2.75
No	.00¼	.00¼	Pilot Gold	......	(.00¾ bid .... asked)			
1	2.70	2.10	Pioneer Gold	1,415	2.16	2.17	2.16	2.17
50c.	.04	.00¼	Porter Idaho	......	(.02 bid .03 asked)			
No	.01¼	.00¼	Premier Border	1,000	.00¾	.00¾	.00¾	.00¾
1	2.40	1.12	Premier Gold	5,350	1.40	1.48	1.39	1.42
No	1.45	.80	Privateer Mines	1,400	.90	.90	.88	.89
1	.04¼	.02	Quatsino Copper	......	.03 (Oct. 24)			
50c.	.01¼	.01¼	Red Hawk	......	(.01¼ Feb. 11)			
1	.15¼	.09	Relief Arlington	3,500	.13	.14	.13	.13
No	.60	.18	Reeves McDonald	600	.30	.31	.30	.30
1	.58	.22	Reno Gold	4,400	.52	.52	.50	.51
1	.02	.00¼	Rufus Argenta	......	(.00¾ bid .01 asked)			
1	.09	.02	Sally Mines	200	.05	.05	.05	.05
50c.	.12	.08	Salmon Gold	......	(.03 bid .04 asked)			
50c.	1.25	.91	Sheep Creek	12,350	1.12	1.13	1.10	1.13
1	1.85	.95	Silbak Premier	100	1.10	1.10	1.10	1.10
No	.02	.00¼	Silvercrest	......	(.00¾ bid .01¼ asked)			
1	.15	.08	Sunloch	......	(.08 Oct. 27)			
50c.	.27	.13	Surf Inlet	......	(.15 Oct. 5)			
No	.06¼	.02¼	Taylor Bridge	......	(.03 bid .04 asked)			
No	.06¼	.02¼	Vidette Gold	......	(.... bid .06 asked)			
50c.	.02¼	.00¼	Waverley Tangier	2,500	.01¼	.00¾	.00¾	.00¾
20c.	.03¼	.00¼	Wellington	5,500	.01¼	.02	.01¼	.01¼
50c.	.01¼	.00¼	Wesko	2,000	.00¾	.00¾	.00¾	.00¾
1	.09	.01¼	Whitewater	11,700	.04¼	.05	.04¼	.05
No	.08	.03¼	Ymir Yankee Girl	2,000	.04¼	.04¼	.04¼	.04¼

Oil Quotations

Par Val.	Range 1939 High	Low	Company	Sales	Close Nov. 6 (or last)	High for week	Low for week	Close Nov. 13
1	.30	.11	Alta. Pac. Cons.	816	.18¼	.19	.15	.15
1	.01	.00¼	Amalgamated	......	(.00¾ bid .01 asked)			
No	1.52	.60	Anglo Canadian	4,400	1.13	1.07	1.00	1.01
No	.16	.05	Anaconda	5,000	.08¼	.08	.07¼	.07¼
No	.08	.04	Associated Oil	......	(.04 Oct. 19)			
No	.04	.01	Baltac	1,000	.03	.03	.03	.03
No	.33	.14	Brown Oil	2,500	.20	.21	.20¼	.20¼
No	.19¼	.06	Brit. Dominion	500	.16¼	.15	.15	.15
No	2.75	1.15	Calgary & Ed.	2,990	2.35	2.35	2.13	2.13
1	.64	.21	Calmont	3,000	.42	.42	.37¼	.37¼
No	.58	.26	Commoil	500	.35	.34¼	.34¼	.34¼
1	.36	.21¼	Commonwealth	1,700	.24	.24¼	.24¼	.24¼
No	.68	.33	Dalhousie	600	.60	.50	.48	.48
No	.59	.24	Davies Pete	......	(.32 Oct. 17)			
No	.12	.04¼	East Crest	......	(.06¼ bid .... asked)			
No	.26¼	.18	Extension	5,000	.24¼	.24	.23¼	.23¼
25c.	.13	.07	Firestone	......	(.08¼ bid .09 asked)			
No	1.40	.55	Foothills	100	.70	.70	.70	.70
No	.17¼	.02	Freehold	11,000	.03	.03	.02⅞	.02⅞
25c.	.13	.09	Foundation Pete	......	(.10 bid .... asked)			
No	.15¼	.08¼	Four Star	......	(.11¼ bid .13 asked)			
No	.21	.08¼	Hargal	230	.20	.18	.17	.18
No	.35	.15	High Sarcee	1,000	.21¼	.20	.20	.20
No	3.75	1.22	Home Oil	3,900	2.78	2.70	2.40	2.45
No	.07¼	.02	Madison	......	(.03 bid .04 asked)			
No	.09	.02¼	Marjon Oil	30,000	.04	.04¼	.04	.04
No	.22¼	.09	McD. Segur Ex.	3,000	.15¼	.15	.14¼	.15
1	.22	.06	McLeod	......	(.12 Oct. 2)			
No	.13	.05¼	Mercury	1,300	.06	.06¼	.06¼	.06¼
No	.07¼	.03¼	Mill City Oil	......	(.05¼ Oct. 13)			
No	.10	.04¼	Midwest Pete	......	(.10 Sept. 26)			
1	.49	.20	Model	4,500	.27	.28	.25	.25
25c.	.11	.06	Monarch Royal	......	(.07 bid .... asked)			
25c.	.16¼	.08	National Pete	......	(.12 bid .... asked)			
1	.12	.05	Nordon	......	(.06 Sept. 29)			
No	1.70	.66	Okalta	600	1.25	1.24	1.15	1.15
No	.12	.03	Pacalta Oil	......	(.04 bid .... asked)			
1	.52	.35	Pacific Pete	3,200	.42	.41	.35	.35
25c.	.24¼	.17	Prairie Royal	4,500	.22	.22	.22	.22
No	.13¼	.09¼	Royal Crest	......	(.11¼ bid .12¼ asked)			
No	45.00	29.00	Royalite	4	40.00	39.00	39.00	39.00
No	.23¼	.18	Royal Canadian	32,450	.23	.23¼	.21¼	.21¼
No	.11¼	.02¼	South End	......	(.04 bid .07¼ asked)			
No	.75	.25	Southwest Pete	600	.45	.41	.40	.40
1	.12	.04	Spooner	......	(.11 Sept. 26)			
25c.	.41	.30	Sunset Oil	1,000	.40	.39	.38	.38
No	.16¼	.06¼	United	......	(.... bid .10 asked)			
No	.13	.04¼	Vanalta	......	(.06 bid .... asked)			
1	.90	.35	Vulcan	300	.53	.50	.48	.48
No	.07¼	.05	West Flank	......	(.05 Aug. 12)			

Winnipeg Stocks

(Transactions from Nov. 6 to Nov. 11)

	Sales	High for period	Low for period	Close Nov. 11
Augerita, new	500	.18½	.18½	.18½
Beaver Lumber, pref.	125	97.00	95.00	96.00
Canadian Fire	40	83.50	83.50	83.50
Central Manitoba	1,100	.03½	.03¼	.03½
Dominion Envelope, pf.	10	97.50	97.50	97.50
Flin Flon	19,700	.03	.01½	.03
Federal Grain	50	2.50	2.50	2.50
Do., pref.	35	43.25	41.00	43.25
Great-West Life	15	225.00	225.00	225.00
Gurney Gold	15,100	.01½	.01	.01
Island Lake	1,000	.00½	.00½	.00½
Lake Dufault	700	.32½	.32½	.32½
Packsack	500	.03	.03	.03
Northern Can. Mtge., pf.	40	2.50	2.50	2.50
Rice Lake	1,000	.00½	.00½	.00½
Sachigo	5	5.50	5.50	5.50
Shenango	2,000	.05½	.05½	.05½
United Grain	41	8.75	8.00	8.00
Western Grain, pref.	5	8.00	8.00	8.00
Western Steel	26	8.75	8.50	8.75
Wingold	3,000	.04¾	.04½	.04¾

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire	75	..
Beav. Lumber, c.	2⅝	..
Can. Indemnity	125	..
Dom. Envelope, c.	3¼	4
Home Invest.	10	..
North. Mtge.	1½	..
North. Trusts	6	..
Traders Bldg.	58	..
West. Brew.	1.50	1.80

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Nov. 14	22,000	30,600	255,000	28,970
Nov. 13	18,900	22,300	277,000	48,870
Nov. 11	—Holiday—			
Nov. 10	34,600	29,300	304,000	44,476
Nov. 9	34,100	30,000	303,000	42,510
Nov. 8	[illegible]	[illegible]	[illegible]	[illegible]

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Nov. 14, 1939

%	Due	Bid	Ask	Approx. Yld.
	Dominion of Canada Bonds			
1½	June '40	99⅞	100¼	.63
4½	Sept. '40	102⅞	102⅞	1.00
1	Mar. '41	99⅞	99⅞	1.10
5	Nov. '41	106⅞	106⅞	1.60
1½	May '42	99¼	99⅞	1.66
2	June '42	100⅞	101¼	1.55
3	Oct. '42	103	103¼	1.80
2½	June '43	101⅞	101⅞	1.96
5	Oct. '43	109¼	109⅞	2.45
2	June '44	99	100	2.00
a2½	Jan. '44	93¼	94¼‡	3.68
4½	Oct. '44	108¼	109¼	2.50
2½	Nov. '44	100⅞	101¼	2.19
a2½	Aug. '45	93¼	94¼‡	3.56
4	Oct. '45	104¼	105	b2.67
4½	Feb. '46	109	109⅞	2.79
3¼	June '49	100	100⅞	b3.12
3¼	Oct. '49	100¼	101	b3.27
3¼	Nov. '51	98⅞	99¼	3.30
a5	May '52	101⅞	‡102⅞	b3.85
4	Oct. '52	103⅞	104¼	b3.35
3	June '55	95¼	96	3.33
4½	Nov. '56	106⅞	107¼	b3.27
4½	Nov. '57	107	107⅞	b3.39
3	June '58	94¼	95¼	3.35
4½	Nov. '58	107¼	108	b3.45
4½	Nov. '59	108	108⅞	b3.45
a4	Oct. '60	95¼	96¼‡	4.27
a3¼	Jan. '61	86	87¼‡	4.17
3¼	June '66	96¼	97¼	3.41
a3e	Jan. '67	83¼	84¼‡	3.94
a3e	Nov. '68	82⅞	83⅞‡	3.95
a3†	Perpet'l.	88¼	89	3.37
	Dominion Guaranteed Bonds			
	Can. Nat'l. Railways:			
2	Feb. '43	99¼	100¼	1.91
2½	Jan. '46	97¼	98	2.60
3	May '44	101¼	102⅞	2.35
3	Dec. '50	96	97	3.33
3	Feb. '53	95¼	96¼	3.35
3	Jan. '59	93¼	94¼	3.39
*4½	Sept. '51	111¼	112¼	3.24
*4½	Feb. '56	112¼	113¼	3.42
c4½	July '57	112¼	113¼	3.47
*4½	June '55	114⅞	115⅞	3.43
5	Feb. '54	115¼	116¼	3.55
*5	July '69	112⅞	113⅞	b2.85
*5	Oct. '59	115⅞	116⅞	b3.43
*5	Feb. '70	115⅞	116⅞	b3.48
	Provincial Gov't. Bonds			
	New Brunswick:			
3	Oct. '51	89	91	3.95
3½	Aug. '49	92	94	4.00
3½	June '56	91	93	4.07
c4	Nov. '47	99¼	101¼	b3.17
c4½	Apr. '61	104	106	4.07
c5	Jan. '60	108	110	4.26
	Nova Scotia:			
3	Jan. '52	92¼	94¼	3.55
3½	June '56	94	96	3.57
3½	Nov. '50	97¼	99	3.61
c4½	Sept. '52	106	108	b3.35
c4½	Nov. '60	107¼	109	3.87
c5	Mar. '60	112¼	114¼	3.96
	Ontario:			
2½	May '45	97	98¼	2.80
3	Apr. '48	96¼	97¼	3.34
3	Nov. '50	95⅞	96⅞	3.35
3½	Nov. '51	98¼	99¼	3.32
*4	June '62	104	106	3.61
4½	June '50	108¼	109¼	3.42
*4½	Jan. '62	110	112	3.71
5	Oct. '48	111	112	3.44
*5	Dec. '60	116¼	118¼	3.72
5½	July '46	111¼	112¼	3.42
	Ont. Hydro Commission:			
3	Aug. '48	96¼	97¼	3.32
3½	Feb. '53	98	99	3.34
3½	Apr. '47	100	101¼	3.26
	Prince Edward Island:			
3	Oct. '45	96	98	3.37
	Quebec:			
3	Nov. '47	94¼	96	3.58
3	Nov. '51	92¼	94	3.62
3½	Mar. '48	95¼	97	3.67
3½	June '52	94¼	96	3.88
4	Mar. '52	100	102	3.80
4½	Aug. '58	101	103	4.02
4½	Jan. '63	104¼	106¼	4.07
	Alberta:			
4	Dec. '54	61	65	d
4½	Oct. '51	67	71	d
c4½	Oct. '56	62⅞	66⅞	d
*5	Oct. '59	64	68	d
c5½	Apr. '52	65¼	69¼	d
6	Mar. '47	69	73	d
	British Columbia:			
c4	Dec. '37	97⅞	100⅞	3.94
*4½	Jan. '51	100¼	103¼	4.11
c4½	Oct. '53	100¼	103¼	4.17
c5	Apr. '54	103¼	106¼	4.42
5½	Feb. '48	103⅞	106⅞	4.86
6	Feb. '47	105¼	108¼	4.65
	Manitoba:			
c4	Dec. '57	85¼	89¼	4.98
c4½	Dec. '56	89¼	93¼	5.07
*5	Dec. '59	94	98	5.18
5½	Oct. '55	96⅞	100⅞	5.43
6	Apr. '47	99	103	5.50
	Saskatchewan:			
4	Sept. '54	73	77	6.40
4	Nov. '60	71¼	75¼	6.08
c4½	Oct. '51	77⅞	81⅞	6.75
c4½	Mar. '60	76	80	6.25
5	Aug. '58	80¼	84¼	6.45
5½	Oct. '52	83	87	7.04
6	Mar. '52	86¼	90¼	7.18

*Payable Can., N.Y. & £. b–Calculated to call date giving lowest possible yield. c–Payable Can. & N.Y. a–Payable N.Y. †–Callable on or after Sept. 15, 1966. d–Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e–Callable at a premium. ‡–N.Y. funds.

Unlisted Stocks

Nov. 14, 1939 (Furnished by A. J. Pattison Jr. & Co., Toronto)

	Bid	Ask.
Industrials:		
Acme Farm., p.	15	..
Andian National	35¼	37
Anglo C. Tel., A	8⅞	9¼
Barrymore, pfd.	19	..
B. C. Pulp, c.	15	19¼
Do., pfd.	50	53
B. C. Sugar	92	96
Burns & Co., A	7⅞	8¼
Do., B	4¼	5¼
Canada Tea, pf.	20	24
Can. Co-op. W'l.	6¼	..
Can. G'drich, c.	1¼	..
C. I. L., A c.	235	..
Can. Ing. Rand	136	140
Can. Tube, 1st p.	70	..
Chase, A. W., p.	25¼	27
Cons. Sales, B p.	..	78
Cop. Flour Unit	8¼	..
Dom. Manuf., p.	60	..
Dom. Wooll's. p.	5¼	6
Dunlop Tire, p.	22¼	23¼
Easy Washing, p	8¼	9¼
Fed. Grain, pfd.	40	43
Do., com.	2	2⅞
Goderich Elev.	9	10
Guard. Realty, p	12	15
Guelph Carp., p.	100¼	102¼
Do., com.	12	..
Hayes Steel, c.	21¼	22¼
Do., pfd. ($10)	10¼	11¼
Hi'land Dairy, p	73	76
Do., com.	2¼	..
Kingston Sh. un.	17	20
Loblaw Inc., c.	10⅞	11¼
Morrison Br. un.	4¼	6¼
M'row Screw, p.	99	..
Mt. Royal H., p.	2⅞	3¼
Neilson, Wm., c.	8	..
Do., pfd.	104	..
N. B. Tel., c.	12¼	13¼
N. Meth. Ldy., p	62	67
Office Spec., p.	71	..
Ont. Tob., pfd.	20¼	23¼
Paterson Wm., p	103	..
Prov. Paper, pfd	105	..
Reliance Gr., pf.	52¼	..
Rob'tson P. L., p	90	..
Rob. Cons. Cone	8	8⅞
Ruddy, E. L., p.	27	30
Seal O Sac (Can)	4⅞	5¼
Stand. Fuel, c.	1¼	..
Do., pref.	54	57
Stedman Br., p.	55	..
Tor. Carpet, c.	18¼	22
Do., pfd.	53	55
Un. F. Co-op.	2⅞	2⅞
Un. Steel, A pf.	22¼	23¼
Viceroy, p. & rts	23	25
West. Grain, pf.	8	9¼
West. Steel, c.	8¼	9¼
Weston Hold.	..	6
Trusts & Loan Stocks:		
Brit. Mtge.	151	154
Com. Fin., c.	2⅞	3¼
Guaranty Tr.	96	100
Guelph & C. $50	53¼	55¼
Lambton Loan	30	35
London & West.	38	40¼
Sherbrooke Tr.	120	..
Sterling Trust	55	60
Traders Fin. B.C.	12	..
Do., A pfd.	78	85
Trusts & Guar.	27	28
Waterloo Trust	99	..
Insurance Stocks:		
Brit. Amer.	55	..
Canada Life	450	475
Confed. 30% pd.	145	152
Crown, fully pd.	280	..
Dominion Fire	134	..
D. of Can. Gen.	116	129
Empire, 25% pd.	..	6¼
Excelsior Life	56	59
Federal, 25% pd	51	53
Great-West Life	220	230
Halifax Fire	21	23
Imperial Life	290	305
Manufac. Life	220	230
Monarch 10% pd	22¼	24
Sov. L., 25% pd.	13	15
Sun Life	340	380
Tor General	5¼	6
Wellington Fire	58	62
Western Assce.	48¼	50
Theatre Stocks:		
Allens Lond., p.	..	54
Do. St. Cath. p	52	56
Do., Tor. p. c.	31	35
Mansf. Theat., p	27¼	30¼
Para. Kitch., p.	51	54
Do., Oshawa, c	10	12
Investment Trust Shares:		
Can. Investors	6	6¼
Deb. & Sec., pf.	65	..
Inv. Found. Unit	55¼	..
Sec's. Hold., pf.	21	..
United Corp., A	22	24
Do., B	11	13
Power Issues:		
Can. W. N. Gas.	24	..
Do., pfd.	98¼	101
Int. Util., 1.75 p	18	20
Do., 3.50 pfd.	35	38
Gt. Lakes Pr., p.	100	..
Mtl. Is. Pwr., p.	20	24
Nor. Ont. Pr., p.	95	98

Unlisted Mines

Toronto, Nov. 14, 1939

	Bid	Ask
Addington	.04	.04¼
Albany R	.19	.20
Amorada	.06	.07
Anoki	.10¼	.12
Arjon	.01¼	.02¼
Armistice	.01¼	.02¼
Argosy	.04	.04⅞
Arno	.01	.02
Area	.05¼	.06
Athona	.02¼	.03¼
Barb Lard	.02	.03
Beresford	.17	.20
Big Mastr	.01¼	.02¼
Bilmac	.01	.02
Bounty	.23	.25
Brown C	.80	.90
Calder Bo	..	.02
Can Rad	.13	.16
Capital Ro	.00⅞	.01¼
Central M	.03¼	.03⅞
Cheminis	.04	.04⅞
Cochen'r	.72	.74
Coin Lake	.05⅞	.06¼
Crescent	.03⅞	.04¼
Crowshore	.05	.08
Dawson	.01	.01¼
Dayton	.02¼	.04
Delnite	1.00	1.10
Desants n	.18	.20
Donwood	.03	.04¼
Dona Pat	.14	.16
Doreva Q	.17¼	.19
Dumico	..	.04¼
Elmos	.07	.08
Faulken'm	.01	.02
Franco	.34	.45
Frontier	.02	.03
Galore	.02	.03
Gate Pat	.01	.02
Hallnor	7.50	8.00
Hiawa'ha	.40	.45
Hislop	.01¼	.02
Hoyle nw	.22	.24
Hugh PaP	.04	.05
Hutch Lke	.02⅞	.03¼
Jason	.34	.38
Keora	.02¼	.03¼
Kaw Crow	.01	.02
Kenricia	.10¼	.11¼
Kewaga'a	.01⅞	.02¼
Kiena	.09	.10
Kirk Gate	.01⅞	.02⅞
Lacoma	.01	.02
Lake Duf	.35	.37
Lake Gen	.12	.15
Lardego	.02⅞	.03
Magnet C	.65	.69
Magnet L	.13	.16
Martin Br	.03¼	.03¼
Margaret	.08	.10
Mata Cana	.04	.05
Mof Hal n	.02	.03
Mooshla	.05	.05⅞
Mosher	.10	.11
Mylamaqu	.01	.02
Nat Mal	.26	.29
Negus	.80	.90
Ribago n	.01¼	.02
Nickel O	.70	.80
Norbeau	.32	.37
Norlake	.01¼	.02
North America Mol'm	1.00	1.05
Oklend	.12	.13
O'Leary	.01⅞	.02¼
Opemiska	.06	.08
Oriole	.01¼	.02
Orpit	.03	.05
Ossian	.01	.02
Pascalis	..	.30
Payore	.03	.03¼
Phoenix	.07	.09
Pontiac	.08	.09
Pelangio	..	.01¼
Polaris	.40	.43
Propri'y	1.65	1.70
Presdor	.02¼	.03
Queb Man	.08	.09
Rahn Lke	.36	.38
Rand Ml	.10¼	.11¼
Red LGS	.02	.03
Rhyolite	.01¼	.03
Rose Gold	.06¼	..
Sachigo	5.75	6.25
Shenango	.05	.05⅞
Sheldon	.02¼	.05
Siscoe Ex	.02	.03
Skynner	.04	.06
Smelter	.01¼	.01⅞
Spooner	.03¼	.04¼
Sunbeam	.10	.13
Springer	.10¼	.11¼
Thomson	.18	.20
Union Min	.05¼	.05¼
Walker Pt	.01¼	.01⅞
Wells LL	.14	..
Winoga cum rts	.04	.05
Woco	.09	.11
West Red	.02⅞	.03¼
Y David'n	.26	.28

Montreal, Nov. 14, 1939

	Bid	Ask
Abbeyv'e	.02¼	.04
Brown B	.01	.02
Beaucourt	.08	.10
Cad Exp	.05	.06
C. Pandora	..	.01
Cen Duv	.02	.03
Chibmac	.01¼	.02¼
Cont Kirk	.05	.06
Cournew	.29	.31
Cuniptau	.02¼	.03¼
Dorval U	..	5.00
Dunlop C	..	.02
E Lacoma	.01¼	.02¼
Fontana	..	.04
Landor	..	.11
L Rowan	.05	.06
Leroy	..	.01
Louvre	..	.01¼
Mar McN	.02	.03
Melba	.01¼	.02
Plains P	.20	.30
Porc Lake	.02	.03
Obalski	.04¼	.05¼
Pan Can	.03¼	.04¼
Routh'r C	..	.03
Que Eur	..	.01¼
Ribago N	.01	.02
Shawm'qu'	.04¼	.05¼
South M	..	.07
Sun Ray	.20	.25
Tiblem't I	.02	.03
Tonaw'nda	..	.01
Valdor M	.60	.70
Warren'c	..	.05
West. C.	.01¼	.02¼
Wawbano	..	.02

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

November 14, 1939

Public Utility Issues:	Int. Rate %	Due	Bid Nov. 14	Asked	Bid Nov. 7
†Assoc. Tel. & T.	5½	'55	83	87	84
Beauharnois P.	5	'73	99	103	100
B. C. Power	4½	'60	100¼	104¼	100¼
B. C. Tel.	4½	'61	104	108	103¼
†Calgary Pwr.	5	'60	102	106	101¼
Do.	5	'64	101	105	101
†Can. Nor. Pwr.	5	'53	105	109	104¼
*Dom. Gas & El.	6½	'45	98	102	98
Gatineau Pwr.	5	'49	101¼	105¼	101¼
Do., A	3½	'69	98	102	98
Gt. Lakes Pwr.	4½	'56	100	104	99¼
*Int. Hydro-E.	6	'44	87	91	87
▲Inter. Power	6	'55	97	101	97
Macl'n-Que. Pr.	4	'59	96¼	100¼	96¼
Mtl. L. H. & P.	3½	'56	98¼	102¼	99
Do.	3½	'73	94	98	94¼
†Mtl. Tramways	5	'41	96	100	97
†Do.	5	'55	72	76	72¼
Nat. Lt. & Pwr.	6	'49	98	102	98
N. S. Lt. Pr.	4	'57	99	103	98¼
Ottawa H. & P.	4	'57	99¼	103¼	99¼
Ottawa V. Pwr.	5	'59	101¼	105¼	101¼
†Power Corp.	4½	'59	99¼	103¼	99
Quebec Pwr.	4	'62	100¼	104¼	101
*Saguenay P., A	4½	'66	103	107	102
Do., B	4½	'66	103	107	102
Shaw. W. & Pr.	4	'61	99	103	99¼
Union Gas	4½	'50	101¼	105¼	101¼
United Secs.	5½	'52	68	72	69
†Wpg. El., ser. A	4	'65	74¼	78¼	75
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	60	64	60
Acadia Sugar	4½	'55	99	103	98
†Alta. Pa. Grain	6	'46	97	101	97
Atlantic Sugar	4	'51	99	103	97¼
†B. C. P. & Pap.	6	'50	76	80	76
*Brown Co.	5½	'46	48	52	50
Burns & Co.	5	'58	66	70	66¼
Canada Bread	6	'41	105	109	105
Canada Cement	4½	'51	102	106	101¼
Can. Paper	4½	'52	98¼	102¼	98¼
Can. Steamship	5	'57	90	94	91
Can. Canners	4	'51	101¼	105¼	101
*Can. Int. Paper	6	'49	98¼	102¼	98¼
†Candn. Vickers	6	'47	72¼	76¼	76
C. P. R.	3½	'51	86	90	85¼
Do.	4	'49	89	93	89
Do.	4½	'44	93	97	92¼
Do.	6	'42	101	105	101
†Consol. Paper	5½	'61	57¼	61¼	58
Dom. Coal	4½	'52	100	...	100
▲Dom. Stl. & C.	6½	'55	110	115	112
Dom. Tar	4½	'51	101	105	100¼
†Donnacona P.	4½	'56	79	83	80
Famous Players	4½	'51	99¼	103¼	100
†Federal Grain	6	'49	97	101	97
†Fraser Cos.	6	'50	97	101	97
Gen. Stl. Wares	4½	'52	100	104	100
*Great Lakes P.	5	'55	92	96	92
†Gypsum, Lime	5½	'48	99¼	103¼	99
Ham. By-Pr. C.	5	'55	101¼	105¼	101
Inter-City Bak.	5½	'48	101	105	100¼
*Inter. P., Nfld.	4½	'68	96	...	96
Lake St. J. P.	5½	'61	89	93	88¼
†Maple Leaf M.	3	'58	74¼	78¼	74¼
Massey-Harris	4½	'54	93	97	93
McColl-Fron.	4½	'49	101¼	105¼	101
McCormick's	4	'52	89	93	89
*M. & O. Paper	6	'45	43¼	47¼	44
Nat. Grocers	4	'47	100	...	100
N. S. Stl. & Co.	3½	'63	84	88	85
Price Bros.	5	'57	97	101	96
*Prov. Paper	5½	'47	102	...	102
Reliance Grain	4½	'52	94	...	94
†Restigouche Co.	6	'48	97	101	97
Rolland Paper	4½	'31	100	104	99¼
Simpsons Ltd.	4½	'51	99¼	103¼	100
Smith, Howard	4½	'51	101	105	101
†Steel of Can.	6	'40	109	113	109
*United Gas	5½	'48	102¼	106¼	102¼
United Gr. Grs.	5	'48	97	101	97
†Western Grain	6	'49	48	52	49

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
▲Payable in Can. or U. K.
*Payable in U. S. only.

Municipal Bonds

Nov. 14, 1939

†Halifax	5	1961	110.00	112.00	4.16
Hamilton	5	1960	109.70	111.70	3.65
Montreal	5	1945	99.00	101.00	4.78
Ottawa	4½	1945	105.75	107.75	3.00
†Quebec	5	1959	105.00	107.00	4.46
Saint John	5	1950	106.00	108.00	4.09
†Toronto	4½	1955	112.50	114.50	3.30
†Vancouver	5	1950	98.00	102.00	4.75
Winnipeg	5	1944	101.00	104.00	3.98

†Payable Can. and N.Y.

Dividends Declared

	This payment	Date payable	Date of record
Aluminium	$4	Dec. 15	Nov. 24
Do., pref.	$1.50	Dec. 1	Nov. 15
Andian National	$1	Dec. 1	Nov. 20
Do., extra	50c	Dec. 1	Nov. 20
Anglo-Can. Tel., A	15c	Dec. 1	Nov. 15
Bright, T. G.	7½c	Dec. 15	Nov. 30
Do., pref.	$1.50	Dec. 15	Nov. 30
Belding-Cort.	$1	Jan. 2	Dec. 15
Do., pref.	$1.75	Jan. 2	Dec. 15
Beattie Gold	5c	Dec. 7	Nov. 20
Bk. Can. Nationale	$2	Dec. 1	Nov. 15
Bk. of N. Scotia	$3	Jan. 2	Dec. 16
Bk. of Montreal	$2	Dec. 1	Oct. 31
Bk. of Toronto	$2.50	Dec. 1	Nov. 15
Can. Vinegars	30c	Dec. 1	Nov. 15
Can. W. & C., A	$1	Dec. 15	Nov. 30
Can. W. & C., p	$1.62½	Dec. 15	Nov. 30
Do., B	25c	Dec. 15	Nov. 30
Cosmos Imp., pref.	$1.25	Jan. 15	Dec. 30
Coniaurum Mines	6c	Dec. 1	Nov. 15
Can. Ind. Alcohol, A, B	15c	Nov. 30	Nov. 20
Can. Malartic	3c	Dec. 15	Nov. 28
Can. Wineries	15c	Dec. 12	Nov. 30
Can. Cottons	$1	Jan. 2	Dec. 15
Do., pref.	$1.50	Jan. 2	Dec. 15
Do., extra	25c	Dec. 1	Nov. 15
Do., extra	25c	Oec. 1	Nov. 15
Celanese of Am.	50c	Dec. 1	Nov. 17
Do., (addit.)	▲	Dec. 22	Nov. 17
Do., part. pf.	$3.50	Dec. 31	Dec. 15
Do., prior pfd.	$1.75	Jan. 1	Dec. 15
Cons. Std. Sec., 1 p.	37½c	Dec. 15	Nov. 30
Commoil	*1½c	Nov. 29	Nov. 18
Can. Ingersoll-R.	$2	Dec. 4	Nov. 15
Can. Int. Inv. Tr., p.	50c	Dec. 1	Nov. 15
Dom. Coal, pfd.	38c	Jan. 2	Dec. 15
Dom. Ang. Inv., p.	$1.25	Dec. 1	Nov. 15
Electrolux	20c.	Dec. 15	Nov. 18
Ford Motor. A, B,	25c	Dec. 18	Nov. 25
Granby Cons.	25c	Dec. 1	Nov. 15
Granville Oils	.00½	Nov. 10	Oct. 19
Hollinger Cons.	5c	Dec. 2	Nov. 18
Do., extra	5c	Dec. 2	Nov. 18
Hart Battery	20c	Dec. 15	Nov. 30
Hallnor M.	18c	Dec. 1	Nov. 15
Howey Gold	2c	Dec. 1	Nov. 1
Hud. Bay Mining	$1	Dec. 11	Nov. 17
Imperial Oil	25c	Dec. 1	Nov. 17
Do., extra	12½c	Dec. 1	Nov. 17
Inter. Petroleum	75c	Dec. 1	Nov. 20
Int. Nickel, c.	50c.	Dec. 30	Dec. 1
Island Mtn. M.	7c.	Dec. 15	Dec. 1
Lake of W. Mill, p	$1.75	Dec. 1	Nov. 15
Laura Secord	20c	Dec. 1	Nov. 15
Lamaque Gold	10c	Jan. 1	Dec. 8
Lang, John A.	17½c	Jan. 2	Dec. 15
Loblaw Groc., A B	25c.	Dec. 1	Nov. 10
Do., extra	12½c	Dec. 1	Nov. 10
Loblaw, Inc.	20c	Dec. 1	Nov. 15
Little Long Lac	10c	Dec. 11	Nov. 28
McIntyre Porc.	50c	Dec. 1	Nov. 1
Do., extra	$1	Jan. 2	Nov. 1
Monarch Rylts.	†	Dec. 4	Nov. 30
McK. Red. Lake	3c	Dec. 15	Dec. 1
Do., extra	2c	Dec. 15	Dec. 1
Montreal Loan	50c	Dec. 15	Nov. 30
Nat. Biscuit	40c	Dec. 15	Nov. 14
Do., pref.	$1.75	Nov. 29	Nov. 14
Noranda	$1	Dec. 15	Nov. 20
Nipissing M.	15c.	Dec. 11	Nov. 22
North. Empire M.	40c	Dec. 12	Nov. 24
N. S. Light Pr., p.	$1.50	Dec. 1	Nov. 14
Ogilvie Flour, pf.	$1.75	Dec. 1	Nov. 18
Paton Mfg.	50c	Dec. 15	Nov. 30
Do., pref.	$1.75	Dec. 15	Nov. 30
Provincial Bank	$1.50	Dec. 1	Nov. 13
Prairie Rylts.	†	Dec. 4	Nov. 20
Reinhardt Brew.	10c	Dec. 1	Nov. 20
Rolland Pap., pref.	$1.50	Dec. 1	Nov. 15
Royal Bank	$2	Dec. 1	Oct. 31
Royal Can. Oils	1c	Nov. 23	Nov. 17
Royalite Oil	50c	Dec. 1	Nov. 17
Sec. Can. Int. Inv., p.	10c	Dec. 1	Nov. 15
Sher.-Williams, p.	$1.75	Jan. 2	Dec. 15
South. Am. Gold	10c	Nov. 28	Nov. 14
Stand. Steel, p	75c	Jan. 1	Dec. 15
Sylvanite G.	5c.	Dec. 30	Nov. 18
Sundance Rlty.	1c.	Oct. 31	Oct. 20
Silverwood's, pf.	‡20c	Dec. 1	Nov. 18
Stuart, D. A., pf.	30c	Dec. 1	Nov. 15
Teck-Hughes	10c	Jan. 1	Dec. 8
Toburn Gold	2c	Nov. 22	Oct. 21
Do., extra	2c	Nov. 22	Oct. 21
Tor. Elevators, pf.	68c	Dec. 7	Nov. 23
Un. Amuse., A, B,	45c	Nov. 30	Nov. 15
Union Gas	20c	Dec. 15	Nov. 20
Walker-Good.	$1	Dec. 15	Nov. 24
Do., pref.	25c	Dec. 15	Nov. 24
Wr.-Hargreaves	10c	Jan. 2	Nov. 23
Do., extra	5c	Jan. 2	Nov. 23
Do., interim	10c	Jan. 15	Dec. 1

▲At rate of 1 sh. for each 40 shs. held. *Interim. †Distribution of proceeds from production. Rate not yet declared. ‡On arrears.

Mining Dividends

		Close Nov. 13	Yield %
Beattie Gold	15c	1.10	13.6
Bralorne	80c+40c	10.87	*11.1
Buffalo Ankerite	$1	7.40	13.5
Bulolo Gold	$3	25.50	11.8
Can. Malartic	9c	.70	12.8
Cariboo Gold	16c+5½c	2.15	*10
Central Patricia	16c+5c	2.30	*9.1
Coniagas	25c	1.65	..
Coniaurum	16c	1.64	9.8
Cons. Smelters	$1+$1	40.75	*4
Dome Mines	$2	29.75	6.7
Falconbridge	30c	4.60	6.5
God's Lake	†5c	.59	..
Goldale	†2c	.17	..
Gunnar Gold	6c	.50	12
Hollinger	65c+45c	14.50	*7.6
Howey Gold	5c	.32	15.6
Hudson Bay	$1.75	34.00	5.2
Inter. Mining	40c	9.87	4.1
Inter. Nickel, com.	$2	47.75	4.2
Island Mountain	15c	1.00	15
Kerr Lake	15c	.30	...
Kirkland Lake	8c+2c	1.35	*7.4
Kootenay Belle	16c+2c	.70	..
Lamaque Gold	40c+17c	6.75	*8.4
Lake Shore	$4	29.63	13.5
Lava Cap M.	11c	.80	...
Leitch	8c	.80	10
Little Long Lac	30c	3.05	9.8
Macassa	20c+7½c	4.25	*6.4
McGillivray Coal	3c	.23	...
McKenzie Red L.	12c+2c	1.26	11.1
McWatters	10c	.55½	..
Moneta	12c	.90	13.3
McIntyre Porc.	$2+$1	56.50	*5.3
Nipissing	15c	1.35	11.1
Noranda	$4	75.50	5.3
North Empire	75c	9.50	7.9
O'Brien Gold	20c	1.51	13.2
Pamour Porc.	8c	2.05	..
Pato Cons.	10c	2.35	..
Paymaster	2c	.34	..
Perron Gold	16c+1c	1.87	*9
Pioneer, B.C.	40c	2.20	18.1
Pickle Crow	40c	4.20	9.5
Placer Develop.	$1.20	12.00	10
Premier	12c	1.42	8.4
Privateer Mine	20c+2c	.89	..
Powell Rouyn	†5c	1.77	..
Quebec Gold	†2c	.30	..
San Antonio	14c	1.75	8
Sheep Creek	16c+3c	1.15	*16.5
Siltbak Prem.	16c	1.10	14.5
Siscoe	12c	.84	14.3
Sudbury Basin	5c	2.11	..
Sullivan Cons.	6c+1c	.75	*9.3
Sylvanite Gold	20c+5c	2.95	*8.4
Teck-Hughes	40c+5c	4.05	*10
Toburn	8c+8c	1.62	*9.8
Ventures	15c	4.45	..
Wright-Harg.	40c+30c	8.20	*8.5

*Yield including bonus. †Initial.

DIVIDEND NOTICES

Banque Canadienne Nationale

Quarterly Dividend

NOTICE is hereby given that a dividend of two per cent (2%) (being at the rate of 8% per annum) has been declared by the Directors of the Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 30th day of November. This dividend, bearing the number 195, will be payable at the Main Office or at the branches of the Bank, on or after the first day of December, 1939, to the shareholders of record on November 15th.

By order of the Board,
CHARLES ST. PIERRE,
General Manager.

THE CANADIAN BANK OF COMMERCE

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, No. 25 King Street West, Toronto, on Tuesday, the 12th day of December next.

The chair will be taken at 11 o'clock a.m.

By order of the Board,
A. E. ARSCOTT,
General Manager.

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 325
EXTRA DIVIDEND NUMBER 58

A regular dividend of 1%, and an extra dividend of 1%, making 2% in all, have been declared by the Directors on the Capital Stock of the Company, payable on the 2nd day of December, 1939, to shareholders of record at the close of business on the 18th day of November, 1939.

Dated the 11th day of November, 1939.

I. McIVOR,
Assistant-Treasurer.

Silverwood Dairies, Limited

DIVIDEND NOTICE
Preferred Dividend No. 5

Notice is hereby given that a dividend of twenty cents (20c) per share has been declared to apply on the arrears of dividends on the Preferred Shares of the Company, payable December 1st, 1939, to shareholders of record at the close of business on November 18th.

By Order of the Board,
J. H. GILLIES,
Secretary-Treasurer.
London, Ontario,
November 8th, 1939.

The Reinhardt Brewery Co., Ltd.

Notice of Dividend

NOTICE is hereby given that an Interim Dividend of ten cents a share on the outstanding capital stock of the Company has been declared, payable December 1st, 1939, to shareholders of record at the close of business on the 20th day of November, 1939.

By order of the Board.
C. I. MacNEILL,
Secretary.
Toronto, November 7, 1939.

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the thirteenth day of December, 1939, at the hour of 2.30 o'clock in the afternoon.

By Order of the Board.
ROBERT RAE,
General Manager.
Toronto, 26th October, 1939.

COMMOIL LIMITED

DIVIDEND NOTICE

Notice is hereby given that an Interim Dividend of 1½c per share has been declared on the outstanding no par value shares of the Company, payable Nov. 29th, 1939, to shareholders of record at the close of business, Nov. 18, 1939.

The transfer books of the Company will not be closed.

By Order of the Board,
G. J. McKAY,
Secretary.
November 7th, 1939.

War Demand on Agriculture May Drop After Emergency

Canada must beware of the error committed in the previous war of "looking upon the great demands which will undoubtedly be made upon her agricultural resources as permanent demands," James S. Duncan, vice-president and general manager of Massey-Harris Co., told the Advertising and Sales Club of Toronto in a luncheon address.

He referred especially to the danger of bringing back into wheat production sub-marginal lands. "This country's great opportunity lies in being able to meet war demand with as little disorganization of its general routine as possible, so that it may emerge from the ordeal with a minimum of readjustment necessary when the war is over.

"Planning must be the key-word of the war," he said. "Surely now is the time and the opportunity to plan for the remedies to some of the evils which in recent years have been stunting the growth of this Dominion.

"A larger population with its higher consuming power would go a very long way indeed toward overcoming some of Canada's major problems such as that of the railways, higher pro-rata taxation and to quite a degree agricultural surpluses."

Drive to Modernize

Mr. Duncan referred to the keenness of the average farmer to modernize his methods. "I believe I can say without fear of contradiction that the progress which has been made on the farm in the last 20 years far outstrips that which has taken place over a similar period in the most modern and up-to-date cities of this continent."

Declaring that Canadian agriculture is now geared to a high point of productivity to meet war needs, Mr. Duncan pointed to the drought years on the western prairies. "When we become irritated with some of the political moves which have been made in the western provinces, we must in all fairness not overlook the hardships which the people have endured and the stress under which this legislation was passed."

The development by scientists of rust-resistant wheat gave prairie farmers an income estimated at $30 millions more last year than they would have had without this plague-beating variety. The "control" campaign waged on grasshoppers in 1938 saved western farmers more than $30 millions, he believed.

Strained to Limit

"I believe that in the event of a prolonged war, the agricultural production of this country will be strained to the limit and accordingly that Canada will be called upon to play an exceedingly important role in the final success of our cause." Mr. Duncan remarked.

"One does not have to be much of a prophet to say that with the increased demand for the produce from our farms, higher prices will inevitably ensue . . . The prices of farm produce have been abnormally low for many years and it is both desirable and necessary to bring about a more even balance between the commodities which the farmer sells and those which he is required to purchase."

DIVIDEND NOTICES

The Bank of Toronto

Dividend No. 233

Notice is hereby given that a **Dividend of Two and One-half** per cent upon the Paid-up Capital Stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its Branches on and after the first day of December next, to shareholders of record on November 15th, 1939.

By Order of the Board.
F. H. MARSH,
General Manager.

LITTLE LONG LAC GOLD MINES LIMITED

25 King Street West,
Toronto, Ontario

DIVIDEND NOTICE
DIVIDEND NO. 13

Notice is hereby given that a dividend of 10c per share has been declared by the Directors of Little Long Lac Gold Mines Limited, payable in Canadian funds on December 11th, 1939, to shareholders of record at the close of business November 28th, 1939.

By order of the board.
G. G. BLACKSTOCK,
Secretary-Treasurer.
November 9th, 1939.

Royalite Oil Company, Limited

Notice of Dividend Number Twenty-three

Notice is hereby given that a regular Dividend of Fifty Cents per share has been declared payable to Shareholders of the Company, of record as such on the books of the Company, at the close of business on Friday, the 17th day of November, 1939, and that the said Dividend will be payable on or after Friday, the 1st day of December, 1939.

The Register of Transfers will be closed from the close of business on Friday, the 17th day of November, 1939, until the opening of business on Monday, the 27th day of November, 1939.

By Order of the Board,
T. E. BURNS,
Secretary.
Calgary, Alberta,
14th November, 1939.

International Petroleum Company, Limited

Notice to Shareholders and the Holders of Share Warrants

NOTICE is hereby given that a semi-annual dividend of 75c per share in Canadian Currency, has been declared, and that the same will be payable on or after the 1st day of December, 1939, in respect to the shares specified in any Bearer Share Warrants of the Company of the 1929 issue upon presentation and delivery of coupons No. 38 at:—

THE ROYAL BANK OF CANADA,
King and Church Streets Branch,
Toronto, Canada.

The payment to Shareholders of record at the close of business on the 20th day of November, 1939, and whose shares are represented by registered Certificates of the 1929 issue, will be made by cheque, mailed from the offices of the Company on the 30th day of November, 1939.

The transfer books will be closed from the 21st day of November, to the 1st day of December, 1939, inclusive, and no Bearer Share Warrants will be "split" during that period.

The Income Tax Act of the Dominion of Canada provides that a tax of 5% shall be imposed and deducted at the source on all dividends payable by Canadian debtors to non residents of Canada. The tax will be deducted from all dividend cheques mailed to non-resident shareholders and the Company's Bankers will deduct the tax when paying coupons to or for account of non-resident shareholders. Ownership Certificates must accompany all dividend coupons presented for payment by residents of Canada.

Shareholders resident in the United States are advised that a credit for the Canadian tax withheld at source is allowable against the tax shown on their United States Federal Income Tax return. In order to claim such credit the United States tax authorities require evidence of the deduction of said tax, for which purpose Ownership Certificates (Form No. 601) must be completed in duplicate and the Bank cashing the coupons will endorse both copies with a certificate relative to the deduction and payment of the tax and return one Certificate to the shareholder. If Forms No. 601 are not available at local United States banks, they can be secured from the Company's office or the Royal Bank of Canada, Toronto.

Under regulation No. 11 of the Foreign Exchange Control Board of Canada non-resident shareholders are advised that the amount of the current dividend can be converted into U. S. or other foreign currency without obtaining a permit from the Foreign Exchange Control Board.

By order of the Board,
J. R. CLARKE,
Secretary.
56 Church Street, Toronto 2, Canada.
14th November, 1939.

Sherritt Gordon Active In the Prospecting Field

Prospectors of Sherritt Gordon Mines have staked a large number of claims north of Granville Lake, Man., the company's quarterly report reveals. A number of gold occurrences will be investigated next year.

Operating profit of $195,358 was realized the three months ended Sept. 30, 1939, compared with $203,138 the preceding quarter. Copper sales were 7,923,153 lb. against 8,084,136 lb., and production 7,805,084 lb. against 7,829,770 lb. The mill treated 153,639 tons against 144,105 tons the preceding quarter.

Diamond drilling was started on the northern section of the property the latter part of September following a geophysical survey which located conductors for testing.

Hayes Steel Showing Improved Operations

Hayes Steel Products Ltd. reports capacity operations and improvement over last year. The company finds its largest market with Canadian automobile manufacturers, who have laid optimistic plans for the current model year. Another important group of customers is in the Canadian mining industry.

Hayes Steel is working on an addition to its plant at Merritton, Ont., expected to cost about $50,000 exclusive of new equipment needed. Liquid position of the company is claimed to be adequate to handle this without trouble.

Easy Washing Machine Expects Better Results

Operations of Easy Washing Machine Co. have shown improvement in the past few months and results for the full year are expected to be somewhat better than those for 1938 when net was equivalent to $2.79 a share on the preferred and 44 cents a share on the common. Earnings for the first half of this year were officially stated to have held at almost exactly last year's level.

Practical suspension of export trade which was experienced at the outbreak of war has not continued and this important division of the company's business is now running much as before the war.

DIVIDEND NOTICES

The Bank of Nova Scotia

Dividend No. 280

Notice is hereby given that a Dividend of three per cent on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of December 16th, and that the same will be payable on and after Tuesday, the second day of January next, at any of the offices of the Bank in Canada.

By order of the Board.
H. F. PATTERSON,
General Manager.
Halifax, N.S., November 14th, 1939.

IMPERIAL OIL LIMITED

DIVIDEND
NOTICE TO SHAREHOLDERS AND THE HOLDERS OF SHARE WARRANTS

NOTICE is hereby given that a semi-annual dividend of twenty-five cents (25c) per share and a special disbursement of twelve and one-half cents (12½c) per share, both in Canadian currency, have been declared and that the same will be payable on or after the 1st day of December, 1939, in respect to the shares specified in any Bearer Share Warrants of the Company of the 1929 issue upon presentation and delivery of Coupons No. 52 to any Branch of:

THE ROYAL BANK OF CANADA,
in Canada.

The payment to Shareholders of record at the close of business on the 17th day of November, 1939, and whose shares are represented by Registered Certificates of the 1929 issue, will be made by cheque mailed from the offices of the Company on or before the 30th day of November, 1939.

The transfer books will be closed from the 18th day of November to the 30th day of November, 1939, inclusive, and no Bearer Share Warrants will be "split" during that period.

The Dominion of Canada imposes a tax of 5% deductible at the source on all non-residents of Canada in respect of dividends received by such non-residents from Canadian debtors. This tax will be deducted from all dividend cheques mailed to non-resident shareholders, and the Company's bankers, when paying the dividend on presentation of coupons belonging to non-resident shareholders, will deduct the tax on presentation of the coupons. Ownership certificates must be presented with all dividend coupons owned by residents of Canada and presented for payment.

A credit for the 5% Canadian tax so withheld is allowable to shareholders resident in the United States against the tax shown on their United States Federal Income Tax Return. To enable such credit to be claimed, the United States Tax Authorities require the receipt or certificate of the Canadian Commissioner of Income Tax for such payment. To obtain such receipt the United States shareholders must submit, at the time of cashing his dividend coupon, an ownership certificate on Canadian form No. 601. Form No. 601, if not available at local United States Banks, can be secured on request from the Company's office or at any branch of The Royal Bank of Canada, in Canada.

BY ORDER OF THE BOARD,
F. E. HOLBROOK,
Secretary.
56 Church Street,
Toronto, Ontario.

See Big Jump Bacon Exports From Canada

Negotiations With Great Britain Nearing Conclusion

U. S. A FACTOR

From Our Own Correspondent

OTTAWA. — Negotiations which have been under way between London and Ottawa for the past two weeks, are regarded as certain to result in an agreement by Britain greatly to increase her purchases of Canadian bacon next year. To carry through this agreement a marketing board will have to be created under the War Measures Act, according to reliable information obtained here.

At the moment, there is an Agricultural Supplies Committee, vested with complete power under the War Measures Act, and the task of administrating a marketing board might be entrusted to this committee. The chairman of it is A. M. Shaw, of the agricultural department, who is now in Britain and who is not expected to return for several weeks. Apparently, Mr. Shaw has been at the centre of the negotiations now dragging to a successful conclusion.

Two Million Cwts.

As nearly as can be ascertained, Britain has agreed to take 2 million long cwts. of bacon in 1940, against 1.5 million shipped in 1939. Britain will agree to a price, and this phase of the negotiations is not yet completed, which would make the production and processing of hogs in Canada profitable.

The British Government now takes over all imports of bacon as soon as they reach Britain. The actual importing remains in the hands of the private trade. But upon arrival, shipments are taken over by the Government. The British Government then pays the charges of distribution and sells to the retail trade. This nets a handsome profit to the British Government which is used to defray all charges of regulation and control. But the real reason for the high price to the retail trade appears to be that the Government desires to reduce bacon consumption in Britain. Price is the instrument being used to achieve this goal.

Control for Canada

But in order to assure the Canadian producers of the maximum return under such an arrangement, it is thought essential that strict regulation be applied in Canada. To this end, the projected marketing board would fix the price to be paid to producers as well as the charge which the packing industry would make. This will probably be about one fifth of a cent per lb.

About the only real menace to the projected scheme is the great surplus of hogs in the United States. This surplus is only now becoming evident and it is anticipated that U. S. prices may be forced down below the point at which exports to Canada, despite tariff and the exchange differential, will become profitable.

American Competition

Even at present on a price basis alone imports of American bacon into Canada would be practical except for the fact that the domestic supplies are ample and quality of Canadian bacon is undoubtedly superior and more popular than the prevailing American type.

It is recalled that in the early part of the last great war a similar situation occurred enabling packing companies to make a very large profit, while producers fared badly. The Canadian packing companies made a bargain with Britain, undertaking to supply bacon at a given price. This price was based upon the prevailing market price for hogs in Canada. But subsequently a huge surplus in the U. S. for a time broke the price structure both there and in Canada, enabling the packers to buy hogs more cheaply than they had anticipated. Meanwhile, the British price remained firm.

There is every intention here to prevent any deal with Britain being upset, so far as the Canadian producers are concerned, by an inflow of hogs from the U. S. Nobody is clear, as yet, how the overflow can be checked but it is thought that, if necessary, the powers of the Foreign Exchange Control Board can be used.

Reinhardt Business Holds 1938 Level

Reinhardt Brewery Co. has declared an interim dividend of 10 cents a share, payable Dec. 1, 1939, to shareholders of record Nov. 20. The last previous payment was 15 cents a share on June 1 of this year.

Commodities

While commodity prices have remained irregular, there was a stronger tendency shown in a number of instances. In the agricultural group, wheat was slightly higher, owing partly to the poor crop prospects in the United States winter wheat belt, and also to a better export enquiry on several days. Cattle were firmer under a better movement to the United States.

Lighter inventory buying weakened most industrial commodities except cotton and rubber where fractional advances were scored.

	Latest week	Previous week	Same week last yr.
Cattle	$7.50	$7.25	$6.50
Hogs	9.15	9.25	8.65
Copper, lb.	.13	.13	.11¼
Cotton, lb.	.0972	.0937	.0918
Rubber, lb.	.2060	.2040	.1708
Sugar, raw, lb.	.03	.03	.0305
Silk, lb.	3.35½	3.42½	1.84
Wheat, Man. (bu.)	.70¼	.68⅞	.59¼
Coffee, lb.	.05½	.05¼	.05½
Hides	.14	.14½	.13
Weekly Indices			
Canada (D.B.S.)	79.0	79.0	73.6
Do., Wood Gundy	66.5	65.2	57.7
U. S. Labor	79.3	79.2	77.3
Dow Jones (future)	55.78	55.69	49.18
Fishers'	83.9	84.0	80.5
Monthly Indices			
Canada (D.B.S.):			
Retail (Oct.)	84.7	82.9	83.8
W'sale (Sept.)	78.2	72.4	74.5
U. S. (Aug.)	75.0	75.4	78.1
Gt. Brit. (Sept.)	105.2	98.1	98.4

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. Silk — Crack db., 13-15 New York. Sugar — 96 degrees centrifugal c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis. Hides—No. 1 packer light.

Week in Wheat

Purchases at Winnipeg Alter Wheat Prospects

Buying Presumed to be on Behalf of British Government — Transactions Mainly in May Futures for Seaboard Delivery

From Our Own Correspondent

WINNIPEG.—There is at least one change in the wheat situation to record. Very heavy purchases have been made in the Winnipeg market during the week, presumably on account of the British Government. Whenever shipments from Canada are at a rate corresponding to these purchases they will be regarded as highly gratifying.

Transactions have been predominantly in the May future. Actual sales of wheat for export from Canada are now being made on a basis of f.o.b. quotation, port of shipment, with the purchaser taking responsibility for ocean freight space. While some of these transactions take place on a "flat" basis, sales are usually made on the basis of exchange of the Winnipeg May future against the purchase of seaboard wheat.

This is in contrast to customary procedure prior to the war, when nearly all export sales were made on a flat basis, c.i.f. port of delivery. In those days the exporting firm assumed the responsibility of freight, and the risk of fluctuations in exchange.

Carriers Busy

There has been sufficient demand for lake freight for grain shipments from the head of the lakes to send freight rates higher during the past few days. Vessels are asking six cents for Buffalo freight, and seven cents to Montreal. Although some vessels have been booked for winter storage, the majority of owners are not willing yet to contract to have their vessels tied up without the chance of another round trip between upper and lower lake ports.

So long as it is possible to move iron ore from Duluth the ore carriers will not be diverted to grain carrying. That business is likely to continue later than is usual. Ordinarily it is brought to an end when freezing makes it difficult to move ore in bulk by the usual carrier system. With demand for ore urgent, new methods of keeping the ore flowing in bulk are being successfully applied. Other lake carriers are finding a profitable business in moving soy beans from Chicago for export, while considerable quantities of corn are being put into eastern position for export when the expected overseas demand develops. Eastern millers in the United States are also assuring themselves of winter supplies of hard wheat from the west and northwest, even although there is little likelihood of the export of much of such wheat.

• • •

Ocean Shipments

The grain trade at Vancouver continues to look hopefully for the vessels that are to carry British Columbia timber to Great Britain, and which are expected to complete their cargoes with wheat. But forward advice of such ships is impossible to obtain, and not until vessels are in harbor can one guess at wheat requirements for any period.

Eastern exporters appear to be confident that transatlantic movement of wheat will be much greater in the near future. The expectation is not that many complete wheat cargoes will be shipped from Canadian or United States ports, but rather that a rapid shuttle freight service will develop for carrying war supplies from this continent, and that practically all vessels in such service will use a part of their capacity for wheat. While wheat shipments from Argentina have lately been heavy, general expectation is that vessels are not likely to be spared for this movement much longer.

• • •

Russia Buys Wheat

Russia was in the market last week for North Pacific Coast wheat for shipment to Vladivostok. Such a movement is a yearly occurrence, as Russia finds it cheaper to import wheat on the Pacific than to move it overland from her western areas. It might have been a nice question whether, if the Canadian Wheat Board should sell wheat for shipment to Russia, the furnishing of wheat to Germany from European Russia might thereby have been facilitated. But the business was actually secured by the United States by the application of government subsidy.

• • •

U. S. Crop Outlook Poor

While there has been some substantial rainfall over a considerable part of the United States winter wheat belt, the fact remains that the crop there is going into the winter in extraordinarily poor condition. A good winter wheat crop is practically impossible and it will require highly favorable conditions next spring and summer to produce even a fair outturn.

Chicago observers continue to insist that prices in the United States might go considerably higher except for the possibility of importing Canadian wheat if the differentials between the prices in the two countries should widen much more. Although the duty on Canadian wheat is 42 cents a bushel, discount on Canadian funds, low freight rates to principal consuming markets, and the special quality of Canadian wheat, must all be taken into account as well as the difference in quotations on the Winnipeg and Chicago markets. The demand for high-grade flour in the United States is very great and bakers will pay substantial premiums, when necessary, to secure it.

Company Reports

United Grain Growers

Substantial improvement in earnings and working capital position is shown by the annual report of United Grain Growers Ltd. and subsidiary companies in the year ended July 31, 1939.

Net earnings during the year amounted to $595,325, compared with $200,034 last year, while net profit was $5,662, against $3,787 in the preceding year. Large charges for depreciation in the year under review were responsible for the nearly comparable net profits. In the 1939 fiscal year depreciation of $433,643 was deducted, while in 1938 no depreciation was provided for on country and terminal elevators, but a charge of $33,250 was allowed for depreciation on certain equipment.

Balance Sheet Items
At July 31

	1939 $	1938 $
Cash	184,324	804,977
Accts. & bills rec.	294,419	303,431
Inventories	*1,627,629	940,542
Bank loans	115,292	......
Accts. pay. & liabs.	784,503	1,008,887
1st mtge. bonds	2,678,000	2,886,000

*Including $555,478 acquired on behalf of the Canadian Wheat Board.

Consol. Income and Surplus Account
Years Ended July 31

	1939 $	1938 $
Operating profit	646,603	254,613
Less: Dir.'s fees	7,431	8,291
Legal & exec.	28,292	29,558
Ann. meet. exp.	15,555	16,730
Net earnings	595,325	200,034
Less: Depreciation	433,643	*33,250
Bond interest	141,216	151,616
Bond disct. w/o	19,878	19,878
Less: Prof. bds. red.	14,076	12,497
Taxes	9,000	4,000
Net profit & surp.	5,662	3,787
Add: Prev. surplus	300,389	296,602
Surplus forward	306,051	300,389

*No depreciation provided on country and terminal elevator buildings.

	1939	1938
Times Fixed Charges Earned:		
Before depreciation	4.05	1.26
After depreciation	1.10	1.05
Earnings per Share:		
Earned	$0.04	$0.03
Paid	nil	nil

Working Capital

	1939 $	1938 $
Current assets	2,133,949	2,084,011
Current liabilities	974,185	1,070,456
Working capital	1,159,764	1,013,555

Acadia Apartments

Lower revenues from rentals and higher expenses resulted in a larger net loss for Acadia Apartments in the year ended April 30, 1939. Loss for the year amounted to $59,278 as compared with $51,871 in the previous year.

Current liabilities exceed current assets by $244,000. Included under current liabilities $297,000 of unpaid bond interest.

Income Account
Years Ended April 30

	1939 $	1938 $
Gross revenue	79,305	84,369
Less: Expenses	53,932	51,589
Net income	25,373	32,980
Less: 1st mtge. int.	51,799	51,799
Gen. mtge. int.	10,500	10,500
Depreciation	22,552	22,552
Net loss	59,278	51,871

United Farmers

For the year ended Sept. 30, 1939, United Farmers Co-operative Co. reports material expansion in earnings, with net profit increasing to $54,555 from $37,693 in the previous year. This profit is equivalent to earnings on the common shares of 78 cents and 54 cents, respectively.

The company again paid 25 cents dividend on the capital stock for the fifth consecutive year. Working capital was greater by $37,158 than in the previous year.

Merchandise inventories at Sept. 30, 1939, totalled $373,350, compared with $294,427 at the end of the preceding fiscal year. Bank overdraft was reduced to $2,550 from $11,094 and secured bank advances were raised to $280,900 from $255,700. Accounts payable and accrued expenses were greater by approximately $25,000.

Shareholders annual meeting will be held Nov. 23 in Toronto.

Income and Surplus Account
Years Ended Sept. 30

	1939 $	1938 $
Net trading earns.	84,028	71,811
Less: Depreciation	13,172	25,618
Bad accts. res.	8,001	......
Income tax	8,300	8,500
Net profit	54,555	37,693
Less: Dividends	17,515	17,515
Surplus for year	37,040	20,178
Add: Prev. surplus	64,623	44,445
Surplus for year	101,663	64,623
Earnings per Share:		
Common: Earned	0.78	0.54
Paid	0.25	0.25

Working Capital

	1939 $	1938 $
Current assets	659,981	580,143
Current liabilities	454,130	411,450
Working capital	205,851	168,693

Sherwin-Williams

Sherwin-Williams Co. of Canada reports consolidated income for the year ended Aug. 31, 1939, of $803,645, as against $540,747 in the preceding year. Net profits equalled $14.74 a share on the preferred and $1.34 a share on the common stock. This represents considerable improvement over that reported in the previous 12 months.

In his report to the shareholders, G. A. Martin, president, says that sales volume since the beginning of the current year shows a substantial increase. "Although these increases may be to some degree ascribed to abnormal conditions," he says, "your directors consider the outlook for the present year as favorable."

Income and Surplus Account
Years Ended Aug. 31

	1939 $	1938 $
Operating income	753,554	530,819
Other income	50,091	9,928
Total revenue	803,645	540,747
Less: Depreciation	77,590	50,787
Taxes	105,000	67,000
Pension fund	34,581	20,761
Directors' fees	3,300	3,380
Legal fees	2,112	1,965
Exec. salaries	78,380	90,286
Net income	510,181	304,368
Less: Pfd. divds.	242,200	242,200
Surplus	267,981	62,368
Previous surplus	4,020,449	3,959,830
Add: Adjustments	16,623	*1,749
Surplus forward	4,305,053	4,020,449

*Deduct.

Working Capital

	1939 $	1938 $
Current assets	4,494,451	4,134,956
Current liabilities	610,599	555,550
Working capital	3,883,852	3,579,406

DEPENDABLE
THE ALBERTA PACIFIC GRAIN Co. LTD.
LICENSED AND BONDED WITH THE BOARD OF GRAIN COMMISSIONERS

N. M. PATERSON & COMPANY LTD.
Own and Operate
One Terminal Elevator in Fort William
109 Country Elevators
Total Storage Capacity 6,925,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.

GRAIN MERCHANTS
RECEIVERS · SHIPPERS · EXPORTERS
Over 200 Country Elevators in Western Canada Terminal Elevator at Port Arthur
Private wires connecting Offices across Canada with New York and Chicago
Executive Offices Winnipeg
EST. 1857
JAMES RICHARDSON & SONS LIMITED

DO YOU KNOW?
That the millers of Purity Flour own and operate flour mills at Goderich, Winnipeg and Calgary, — and a cereal mill as well at the latter point — with a daily capacity of 9700 barrels.
PURITY FLOUR
Western Canada Flour Mills Co. Limited
Head Office, Toronto, Canada — Branches from Coast to Coast
Mills at Goderich, Winnipeg, Calgary

T. C. Lockwood To Be Transport Controller

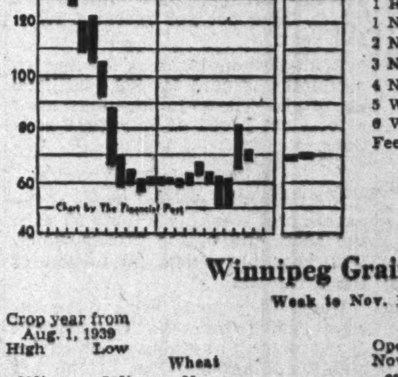
From Our Own Correspondent

MONTREAL.—T. C. Lockwood, freight traffic manager of Cunard-White Star Ltd., Montreal, is to be appointed transport controller.

Duties of the controller will include enforcement of regulations providing for priority of movement by land and water of troops, naval forces, munitions and war supplies.

Use of the new office by shippers is voluntary. The sole purpose of the Government in setting up this form of transport control is to guard against unnecessary tie-ups and to provide facilities whereby priority in movement of essential commodities can be arranged.

Wheat Prices



	For Week Nov. 14 High	For Week Nov. 14 Low	Prev. Week High	Prev. Week Low
1 Hard	.70⅜	.69¼	.69¼	.68⅞
1 Northern	.70⅜	.69¼	.69¼	.68⅞
2 Northern	.68⅞	.67½	.67½	.67
3 Northern	.68⅜	.66⅝	.66⅝	.65⅞
4 Northern	.66¼	.64½	.64½	.63⅞
5 Wheat	.61⅜	.60¼	.60¼	.59⅞
6 Wheat	.56⅜	.55¼	.55¼	.54⅞
Feed Wheat	.55⅜	.54¼	.54¼	.53⅞

Winnipeg Grain Futures

Week to Nov. 14, 1939

Crop year from Aug. 1, 1939 High	Low		Open Nov. 8	High for week	Low for week	Close Nov. 14	Close year ago
		Wheat					
.85⅝	.51⅝	Nov.	.69¼	.70⅜	.69⅛	.70¼	.59⅝
.85	.51½	Dec.	.70⅛	.71¼	.69⅞	.70⅝	.59
.88	.54⅞	May	.75	.76¼	.74⅛	.75⅜	.61½
.77⅞	.76⅛	July	.76½	.77⅞	.76⅜	.77	.62⅜
		Oats					
.40	.30¼	Nov.	.32	.32⅛	.32	.32⅛	.....
.41	.26⅛	Dec.	.31¾	.32½	.31¾	.31⅞	.27¼
.45¾	.27⅛	May	.33	.33⅜	.32⅞	.33	.27¾
.33½	.32	July	.....	.33½	.32⅞	.33	.....
		Barley					
.53	.42	Nov.	.....	.43⅜	.42⅝	.42⅝	.....
.49⅝	.32⅜	Dec.	.42¼	.43⅛	.42⅛	.42⅛	.34½
.51⅜	.33⅝	May	.44⅝	.45	.44⅛	.44¼	.36⅜
.44¼	.44⅛	July	.....	.44¼	.44⅛	.44⅛	.....
		Flax					
1.75½	1.53	Nov.	1.59	1.59¼	1.55¼	1.56¼	1.36
1.76	1.23¾	Dec.	.....	1.59½	1.55⅛	1.56¼	1.35⅞
1.81	1.49	May	1.61½	1.62½	1.60	1.60⅜	1.35⅞
		Rye					
.62½	.52	Nov.	.....	.57¾	.56⅛	.56½	.....
.61	.37½	Dec.	.56½	.57⅛	.56	.56⅜	.40½
.65	.40	May	.58¾	.59⅞	.58¾	.59	.42⅛
.59¾	.58	July	.....	.59⅜	.58	.59	.....

Your Investment Questions Answered Without Charge

As a subscriber to The Financial Post you are entitled to information regarding any Canadian investment that you are interested in.

If not already a subscriber, address your enquiry to The Investment Department when sending in your subscription.

USE THIS COUPON

THE FINANCIAL POST,
481 University Ave.,
Toronto 2, Canada.

Please send me The Financial Post for the next year (52 issues). I enclose $5.00.

Name ....
Occupation ....
Address .... F.P.

Week in Mining

Ottawa Can Help Mines By Fixing Tax Promptly

Freeze-up Now on in Canadian North — Cariboo Gold Quartz Announces Novel Plan — Anyox Sells Smelter Plant

Freeze-up is on in the Canadian northland and the mining development business is having its semi-annual pause. With airplanes grounded, some areas are shut off from the world, hence little news is coming out.

Plans for next year's development and exploration work are being turned over in a good many offices these days. But with the uncertainty over excess profits, outlined elsewhere in this issue, operators don't know where they stand, how much they are going to be able to spend. The Dominion Government says it holds gold a vital war metal and that it wants to do all in its power to promote its welfare. It can help a lot by clearing up the tax situation at once.

Novel Scheme

Cariboo Gold Quartz has come along with a novel scheme for spreading around the extra revenue received from the premium on gold. President W. B. Burnett estimates that about one half of the extra revenue (difference between $35 and over $38 per ounce) will be eaten up in higher costs and higher taxes. The other half of the premium is to be split three ways, employees, shareholders and increased development.

So far as shareholders are concerned, they are going to get the extra as a dividend bonus as soon as their cut on the premium amounts to one cent per share. Each worker is to get higher wages estimated at between 18 and 20 cents per shift for the month of September.

On the basis of current production the gold premium is not to be sneezed at—amounting to better than $10,000 per month or more than $120,000 on the yearly basis. For shareholders it is only about 1½ cents per share.

* * *

Bateman Speaks

George Bateman, genial secretary of the Ontario Mining Association, is guest speaker at the annual meeting of the Manitoba Chamber of Mines, Winnipeg, November 20. The men nominated for election to the new board of directors are:

J. W. Bringhurst,
C. H. Dickins,
J. Drybrough,
H. R. Drummond-Hay,
R. England,
H. V. Hudson,
G. M Hutt,
W. J. Macdonald,
H. A. Mackay,
F. J. Manning,
J. D. McDonald,
J. Mohr,
J. S. Morrey,
F. V. Seibert,
W. A. Weir.

* * *

"Voluntary Conscription"

Masterfully enigmatic, Dr. G. S. Blaylock of Consolidated Mining & Smelting has released for publication a comment about the Smelters' lead and zinc deal with the British Government. "Voluntary conscription," he calls it. "The prices to be received for the metals are fair, but they are far below the average for the last 20, 30 or 40 years," he said. "The arrangement assures cheap metal for the Empire's war needs and at the same time gives a fair living for those in the industry."

* * *

Smelter For Sale

The entire plant and equipment of the Anyox smelter on the B.C. coast is up for sale. This smelter was operated a great many years by Granby Consolidated Mining, Smelting & Power Co., but was sold together with the Anyox mine to Consolidated Mining & Smelting Co. during the depression.

Although the Anyox smelter has apparently been owned by Consolidated Mining & Smelting Co. until recently, the equipment is now being offered for sale by a Vancouver machinery firm. Sale of the smelter at this time is rather surprising. Smelters completed an exploratory diamond drilling programme after purchasing the Anyox property from Granby and a new ore body was outlined containing 3.7 million tons of copper ore in addition to 2.2 million tons estimated to be recoverable in the workings. Why the equipment should be sold if there is a chance of profitable operation is not clear. A hopeful interpretation might be that old equipment was being sold to make way for reopening the mine. The step of reopening would undoubtedly hinge on the price for copper. If output could be sold at the world market price there might be just sufficient attraction to bring the property into operation again.

Peak Year Seen For Quebec Golds

Lamaque Heads Gold Mines of Quebec For First 9 Months

From Our Own Correspondent

QUEBEC.—Production of gold in Quebec Province bids fair to set a new high during the calendar year of 1939, for with but nine months of the year completed, a total value of $25,471,438 was contained in gold shipments from 27 mines operating in the province.

This compares very favorably with the $30.9 millions which was the total value for 1938.

Lamaque, which had a total value of $3,456,203 for its gold output, was the most prolific producing gold mine in the province, followed by Beattie, with $1,805,918, and East Malartic, with $1,734,343. Three other gold mines exceeded the million dollar production mark for the first nine months of the year, these being: Sigma, $1,471,172; Siscoe, $1,469,156; and Perron, $1,049,927.

Production for nine months of 1939 in Canadian funds follows:

Mine:	Tons milled	Gold recov. oz.	Total value $
Amm Gold	28,199	3,411	120,623
Arntfield	93,912	8,188	289,552
Beattie	458,700	51,068	1,805,917
Belleterre	54,707	14,378	508,499
Candn. Malartic	182,820	22,568	798,072
Cournor	61,397	9,396	332,271
East Malartic ..	247,573	49,044	1,734,343
Francoeur	42,319	7,569	267,663
Lamaque	327,082	97,735	3,456,203
Lapa Cadillac .	65,442	7,206	254,826
McWatters	26,568	9,458	334,463
Mooshla	1,015	808	28,573
O'Brien	44,480	28,083	993,099
Perron	98,588	29,690	1,049,927
Powell Rouyn .	190,302	27,837	984,400
Sigma	187,051	41,602	1,471,172
Siscoe	162,493	41,545	1,469,156
Sladen Malartic	124,265	11,694	413,535
Stadacona	97,976	14,985	529,915
Sullivan	92,099	24,615	870,460
Seven other mines	......	219,405	7,758,818
Totals	......	720,285	25,471,488

Dome Exploration Co., exploration subsidiary of Dome Mines, is stated to have arranged an option on a large block of ground held by Rocdor Mines in Dubuisson and Bourlamaque twps., Quebec, adjoining Lamaque on the south and west. Exploration will be undertaken.

Oil Royalties Plan Complete

Producers, Brokers, Ont. Securities Commission Reach Agreement

Negotiations have been completed for permitting sale of oil royalties in the Province of Ontario on the general terms outlined exclusively in The Financial Post a month or so ago. Long discussions between representatives of the Ontario Commission and the Alberta Petroleum Association are understood to have concluded in complete agreement and to the general satisfaction of most royalty dealers.

Further regulating the sale to the public of this relatively unfamiliar form of investment is the Security Commission requirement that brokers who propose to deal in royalties must register with the Commission, and pay a nominal fee.

Already a couple of royalties have qualified for sale in Ontario. Importance of the move is that a new source of capital is opened for Alberta oil development.

Standard Forms

Standard forms for reporting to the Ontario Securities Commission all relevant information are now drawn up. Separate forms are provided for Producing Royalties and Drilling Royalties. Important from the standpoint of the purchaser is the requirement that royalty certificates shall be uniform. Specimen forms are provided for both preferred and ordinary royalty certificates.

General recommendations in regard to oil royalties accepted by the Alberta Producers' Association and the Ontario Securities Commission include: certificates should be restricted to fractions of one fortieth of 1% or multiples thereof; gross royalties against any well should be limited to 25%; trust companies should accompany each royalty payment with a statement of revenue and expenditures for the period covered; preferred net royalty certificates should show the amount of preference outstanding per unit of 1% at the time any transfer is effected; any material which it is proposed to use in sales promotion is to be filed with the Commission.

Junior Gold Operators Work On Tax Revision

Operators of Canada's junior mines are collaborating on proposals for a modified excess profits tax for mining. Dominion officials have confessed that the new tax as it stands will work a very severe hardship on the younger mines and have requested suggestions for its amendment from the mining community.

Because of the necessity of planning next year's exploration and development campaigns at once, the operators are working rapidly on various new tax plans to submit to authorities.

Application of the excess profits tax as it now stands will, in practise mean that the well-established, mature mines will pay little or no extra tax; the junior mines, still in the growth stage, will pay an enormously increased tax.

Not Avoiding Tax

It is to iron out this inequality that the junior operators are now at work. They are not trying to get out of paying tax. They are unanimous that the wealthy mining industry should contribute its share to the extra cost of the war effort. They are aware that an amended excess profits tax may result in the mining industry as a whole paying an increased sum.

On the basis of last year's production and the new producers that have since come into operation the annual net profit of the 74 Canadian gold mines (this does not include Noranda or other base metal producers) is estimated at $51,241,180. That figure is adjusted to a 12-month average earning basis for mines which have not yet operated for a full year.

Of that amount nine of the mature producers account for $30.4 millions net profit. The 65 junior mines have a total net profit of only $20.8 millions.

Take Whole Load

But under the present terms of the excess profits tax, it is these 65 with the short end of the profits which will bear the entire imposition of the extra tax.

Under the present terms of the Excess Profits tax, the Government is not getting anything — or an insignificant amount—out of the big mines and not much in total out of the juniors, crippling though that tax will be to individual properties. Of course, all mines, big and little are already paying very substantial sums in taxation under other tax clauses.

Neither of the two avowed aims of the excess profits tax is served. The Government is not deterring profiteering from expected higher war profits, because there are not greatly higher profits in prospect for gold mining because of war. Secondly, the Government is not adding materially to its revenues.

Various new tax plans are being discussed by junior mine operators. There is the idea of a flat percentage of net profits to be imposed; the big mines paying a bix tax, the small profit mines, a small tax. This scheme might be refined to include a sliding scale of percentage taxation.

It is understood one avenue being explored is a tax based on a sliding scale which would take into account the profit per ton of ore milled or the alternative base of profit per ounce of gold recovered.

In its present form, it is estimated that the excess profits tax will collect a relatively small sum from the mining industry. The figure of $2 millions has been suggested, although a precise calculation is impossible. But practically every dollar of that amount will come from the younger mines, least able to pay.

Mature operating mines will be almost certain to select the plan which computes the tax on the basis of 50% of all profit over the average profit of the four years preceding 1940. A large gold mining operation is a relatively stable profit maker. Under war conditions mines are getting more than $38 per ounce for gold, but it is expected that a good part of this amount will be eaten up by increased costs.

Not Good Management

Though operators of the established mines are just as willing as any other branch of the business community to pay their share of the war effort, it is deemed inconsistent with the principles of good management or obligation to shareholders that mines should pay more in taxes than the law demands.

Hence, the probability is that output will be controlled and ore resources conserved so that profit will not exceed the four-year average. In this way, no extra tax will be paid. This result in most cases can be obtained by a simple adjustment in operating schedules.

The situation is entirely different for the junior mines. Growth is their nature. The first half year of milling is devoted mainly to tuning up the mill, to handling development rock and getting the mine opened up. In the ordinary course, profits should then start climbing and output increase.

Result is that every year is likely to show a material gain in profits for some time until the operation is mature and stabilized.

But the excess profits tax penalizes a mine for following its natural growth and expansion. The junior mine must either grow and pay 50% of the profits of that growth in excess profits tax or stall its development to the impairment of the industry and the shareholders.

Preston's Output Sharply Higher

Record production was attained by Preston East Dome Mines in October when $262,454 was recovered from 12,789 tons of ore milled for an average recovery of $20.52 per ton. This compared with output of $186,137 from 12,867 tons of ore for an average of $14.47 in September, the previous record month.

The greatly increased output in October is said to be partially due to drawing a considerable portion of mill feed from the high-grade ore section opened between the fifth and sixth levels.

Irv. Porcupine Drills Cut Ore

Length of 200 Feet Runs $16 Across 4.5 Feet

Diamond drilling at the property of Irvin Porcupine Mines, in Deloro twp., Porcupine area northeast of Faymar Porcupine, has indicated an ore shoot, it is reported. Five diamond drill holes put down to a depth of 300 ft. have indicated an ore length of 200 ft. averaging $16 per ton across 4.5 ft.

The vein is of sulphide mineralization and strikes almost due north and south. An additional claim was acquired recently to protect the northerly strike and four additional drill holes have been spotted to test for continuity of the vein on the new claim.

South Vein

Diamond drilling an eastwest vein in the southern section of the property has given a first intersection of $21.70 across 4 ft. at a depth of 167 ft. This south vein has been traced for 1,000 ft. at surface. At a point near where the diamond drill intersection was made a sample from surface ran $5.60 per ton.

Recently a new quartz vein was discovered almost due south of the first-mentioned sulphide vein and striking in the same direction. So far it has been traced for 500 ft. No assay results are yet available for this vein, however. Two other veins have also been discovered in another section.

Diamond drilling is being continued with two diamond drilling rigs and 3,000 ft. of drilling has been completed to date. It is intended to continue drilling until the downward extension of all surface showings have been tested.

New Opeepeesway Interest As Three Deals Completed

From Our Own Correspondent

SUDBURY. — The new Heenan-Marion gold field a short distance northwest of Lake Opeepeesway has attracted new interest as result of three property deals just announced. These deals involve cash payment and options. It is understood plans for exploration work are under way in each case. The 18 claims held by D. H. Baird, of Sudbury, and associates have been turned over to Highridge Gold Mining Co. A campaign is to get under way in an effort to pick up extension of the north showing on the Burke-Thorne claims.

J. R. McGinn, of Sudbury, has optioned eight claims north of Amorada to Big Long Lake Gold Mining Co. and development is expected to start after freeze-up.

In the third deal, Wesley Gold Mines options nine claims northwest of the Burke-Thorne property. It is stated a programme of exploration is planned.

Public Utility Earnings

Mexican Light and Power

	1939 $	1938 $	Increase $
September			
Gross earn..	662,297	604,619	57,678
Oper. exp. .	526,496	502,811	23,685
Net earn. ..	135,801	101,808	33,993
Nine months			
Gross earn..	5,372,501	6,155,594	*783,093
Net earn. ..	878,632	1,532,184	*653,552

*Decrease.

Week in Oils

Alberta Oil Dividends Soar To $2.5 Millions

Royalty Holders Get Further $3.5 Millions From Infant Industry—Output Reduced—Delay at Jumping Pound and Brazeau

From Our Own Correspondent

CALGARY.—The 1939 dividend total of Alberta oils has now reached $1,805,026 and is expected to reach $2.5 millions before the end of the year, establishing a new high for the oil industry.

The dividend total is rising rapidly this month, seven companies having already declared distributions totalling $308,558. Several more companies are expected to announce dividends next month, totalling $700,000.

In 1937, only six companies were on the dividend list, their total payments reaching $1,323,776. In 1938 the number of dividend-payers was 18, total payments reaching $2,228,707. This year dividend-paying oil companies number increased to 24.

Further Return

Stock dividends, however, are not the only return to investors in oils. Royalty payments this year are expected to reach some $1.5 million. In addition, some $2 millions will go to the Alberta Government, Calgary & Edmonton Corp., Okalta Oils, the Canadian Pacific Railway, and other holders of land-owners' gross royalties in Alberta wells.

Considering that total value of oil produced in Alberta this year will be over $10 millions, the large return to investors is outstanding.

* * *

Government to Drill

The British Columbia Government has decided to proceed with the drilling of oil wells in the Peace River district next spring as a result of examinations made during the past season.

Reports of geologists indicate that there is a good prospect of striking crude oil, according to Government officials. It is planned to spend $200,000 on the project during the coming year.

The Government is determined to explore the area thoroughly, and a length of over 70 miles and variable width will receive most of the attention.

* * *

Output Reduced

Under a Conservation Board order which went into effect Nov. 13, Turner Valley crude oil production was cut to 20,000 bbls. daily. The move came as a surprise.

Fall production shows a remarkable improvement over last year. In October, 1938, allowable was cut to 11,500 bbls. daily, and remained within two or three thousand barrels of this figure until April 1 of this year. During the past month Turner Valley production has been about 26,000 bbls. daily.

Under the new schedule, Home Millarville 2 continues largest producer, with a daily quota of 548 bbls. Other top-ranking wells are: Royalite 42, 497 bbls.; Anglo Canadian 6, 463; Royal Canadian 3, 456; Royalite 36, 437; Vulcan Brown 423; Extension Oils 2, 402. Twelve other wells have quotas exceeding 300 bbls. daily, Ninety-one producing oil wells are covered by the schedule.

* * *

Fishing Job

Brown Consolidated's important Jumping Pound test has come up against its first major difficulty. Drilling was delayed three days because of "lost circulation." Then a section of the drill-pipe twisted loose and the crew found themselves delayed again by a fishing job. The hole is bottomed at 6,583 ft., with officials expecting the lime within 200 ft.

* * *

Not Too Pleased

Home Oil Co. is now certain it has proven at least a major gas field in the Brazeau area but, for the time being at least, isn't too pleased over the heavy-pressure gas flow blasting its way out of the hole. After the crew had twice spent several days fishing out the cable bit, jammed in the casing by a burst of gas, they resumed drilling—only to strike another heavy gas flow around 6,670 ft. The sudden burst of gas hurled the bit more that a mile to the surface, sending it crashing into the top of the derrick and badly damaging the crown block. Since the pressure makes drilling with cable tools a hopeless proposition, the cable rig is being dismantled and foundations are being prepared for installation of rotary equipment. The Madison lime is expected in about 1,250 feet.

* * *

Looks Commercial

The Cord-Spring Coulee test, near the International border west of Lethbridge, is now on production test, and present indications are that it will prove a commercial producer of light 32 gravity crude oil. The well is backed by Los Angeles motor-magnate E. L. Cord, a Vancouver syndicate which includes Royal Canadian Oil Co., and the firm of Clifton C. Cross & Co. The Madison limestone was topped recently at 5,988 ft. and drilling was carried 93 ft. into the formation before casing was run and set. The lime consisted of alternate narrow bands of porous-oil-bearing and dense limestone, with a fair amount of gas in evidence. To take production, casing is being perforated at the various porous levels, and the zones are being treated with acid. There was no evidence of water in the lime. From present appearances, it is believed the well will probably be built up to a flow of 100 bbls. or more per day.

* * *

Going Deeper

The Steveville area, proven at least a major gas field by the Anglo Canadian drill-tests, will see interesting developments during the next few weeks. Standard Oil of British Columbia's drill-test recently topped the Madison lime at 3,202 ft., drilled 50 ft. into the formation, and encountered a gas flow estimated at 7½ million cu. ft. daily, together with a small show of crude oil. The oil showing not being commercial, the 50 ft. of lime was cased off, and drilling is now being carried deeper into the formation. Standard, holding some 50,000 acres in the Steveville area, will do more than test the Madison lime. The company plans to carry the present test hole down into the underlying Devonian limestone, to provide a thorough test of the structure.

* * *

Anaconda Oils Steveville test, now at 3,543 ft. may be in the top of the Devonian lime already, according to company officials. The bit contacted the Madison lime at 3,200 ft., re-entered shale at 3,220 ft., re-entered the Madison at 3,296 ft., went back into shale at 3,490 ft., and at 3,543 ft. is in a limey formation believed to be the top of the Devonian. A small show of oil and gas was reported at 3,480 ft.

N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
ADel. 6028

Inquiries invited regarding Canadian Industrial and Mining Investments. We specialize in the Dividend Paying Gold Mines and in new gold mining properties under present active and encouraging development.
A. E. OSLER & COMPANY
Established 1886 Members The Toronto Stock Exchange
Osler Bldg., 11 Jordan St. Phone ADelaide 2431

Canadian Mining and Industrial Stocks
Canadian Commodities
OUR STATISTICAL STAFF WILL BE PLEASED TO ANSWER INQUIRIES REGARDING ALL CLASSES OF SECURITIES
F. J. Crawford & Co.
MEMBERS:
11 JORDAN ST. TORONTO ELgin 2201
The Toronto Stock Exchange
Winnipeg Grain Exchange
Canadian Commodity Exchange, Inc.
Branches: BARRIE ORILLIA

Malartic G. Fields Work On Schedule

Mill Expected to Be Ready By December 15

Construction of the mill building at Malartic Gold Fields has now been completed and machinery is now being installed, states General Manager J. P. Norrie in the company's progress report for October. Mill is expected to be ready for operation Dec. 15.

Of 167 ft. of drifting and crosscutting completed during October, 65% was in ore. All 393 ft. of raising was in ore. Raising gave good grade ore with only one raise running in ore averaging less than $12 per ton. Three drill holes through D ore body at the 250-ft. level ran $2.10 across 13 ft.; $10.50 across 8 ft.; and $8.75 across 10 ft.

During October preparations were made to sink the shaft another level to 575 ft. depth.

Freight Traffic Up in Maritimes

Subvention Payments on Coal Show Sharp Increase

From Our Own Correspondent

MONTREAL.—Larger movement of coal and increased industrial activity in the Maritime Provinces are reflected in disbursement figures of the Dominion Government.

Payments under the Maritime Freight Rates Act amounted to $366,901 in October as compared with $292,699 in the same month last year. During the earlier part of the year traffic on railway lines in the Maritimes was lighter than a year ago. Disbursements for this purpose in the seven months ended Oct. 31 totalled $1.5 million as against $1.6 million in the same period last year.

Subventions on the movement of coal in October totalled $424,754 as compared with $158,557 in Oct., 1938. Disbursements for this purpose in the seven months ended Oct. 31 amounted to over $2.3 millions, an increase of $1.5 million.

Increased payments on the movement of coal is due in part to a greater volume of traffic and in part to increased subventions. Earlier this year the Dominion Government increased subventions on Maritime coal moving to the central Ontario market.

Inco Earnings Turn Upwards

Net Equals 57 Cents a Share in Third Quarter

Earnings of International Nickel Co. have again turned upward with profit of 57 cents a share reported for the three months ended Sept. 30, 1939, after allowance for dividends on the preferred stock.

This profit compares with 53 cents earned in the preceding quarter, 62 cents in the first three months of the year and 48 cents in the same period last year.

Net profit for nine months of 1939 totals $1.72 a share against $1.56 in the same period last year.

Balance sheet as at Sept. 30, 1939, shows total current assets of $80,281,340, comprising $35,970,650 cash, $273,616 in government securities with market value of $273,757, $10,436,117 of accounts and notes receivable and inventories amounting to $33,600,957. Current liabilities were $15,596,733, leaving $64,684,607 working capital.

Nickel in Magnets

President Robert C. Stanley reports development of powerful permanent magnets containing iron, nickel, aluminum and cobalt in recent years. The new magnets have power far exceeding those in general use and are capable of supporting 60 times their own weight.

Applications of permanent magnet alloys range from radio loud speakers and microphones to high tension magnetos, magnetic chucks and sensitive galvanometers. These permanent magnet alloys are particularly suitable under conditions of vibration and heat.

Income and Surplus Account
Three Months Ended Sept. 30

	1939 $	1938 $
Earns. from oper. ...	15,321,085	11,681,068
Less: Admin. & gen. exps.	398,818	374,457
Net oper. profit	14,922,267	11,306,611
Add: Other inc.	90,693	132,364
	15,012,960	11,438,975
Less: Depr. & depl. ..	1,744,285	1,766,328
Inc. & franch. taxes	2,974,205	1,636,574
Retire. system & miscel.	1,483,102	483,960
Net profit	8,811,368	7,552,123
Less: Pref. divds.	483,475	483,475
Com. divds.	7,289,084	7,289,084
Surp. for period	1,038,809	*220,436
Add: Prev. surp.	74,488,215	72,137,795
Balance forward	75,527,024	71,917,359

* Deficit.

Earns. per Sh. & Divd. Record:		
Com.: Earned	$0.57	$0.48
Paid	0.50	0.50

Income and Surplus Account
Nine Months Ended Sept. 30

	1939 $	1938 $
Earns. from oper.	42,748,967	37,152,800
Less: Admin. & gen. exps.	1,278,308	1,206,944
Net oper. profit	41,470,659	35,945,876
Add: Other inc.	325,149	446,459
	41,795,808	36,392,335
Less: Depr. & depl. ..	5,425,539	5,224,738
Inc. & franch. taxes	7,411,450	5,539,863
Retire. system & miscel.	2,374,013	1,343,353
Net profit	26,584,806	24,284,374
Less: Pref. divds.	1,450,424	1,450,424
Com. divds.	21,867,254	21,867,253
Surp. for period	3,267,128	966,697
Add: Prev. surp.	72,259,896	70,950,662
Balance forward	75,527,024	71,917,359

Earns. per Sh. & Divd. Record:		
Com.: Earned	$1.72	$1.56
Paid	1.50	1.50

Note:—Results of operations are expressed in United States dollars, in accordance with the usual accounting practice of the company, transactions in other currencies being converted at month-end rates. Exchange adjustments arising in consolidation, from stating Canadian and British currency items at the close of the period in U. S. dollars, resulted in a net debit of $2,517,634 which when deducted from earned surplus leaves a balance of $73,009,390 as at Sept. 30, 1939.

Concentrates — Canada's Mines This Week

Century Mining Corp., operating the property of Golden West Mines, reports the Garbutt vein drift on the 125-ft. level has been extended 176 ft. south of the main crosscut; the drift was in high-grade ore for a distance of 107 ft. and then crossed through the Webb structure beyond which a new vein was intersected averaging $8.40 per ton across 7.2 ft. This vein is believed to be the 106 ore body, a "cross-feeder vein" to the Webb vein. It was previously cut in a crosscut averaging $14.42 across 4.5 ft. A crosscut driven west from the south Garbutt vein at the 250-ft. level cut a new ore shoot with two rounds in the crosscut averaging $394.10 across 1.8 ft. and $217.00 across 4.7 ft. It is believed a northerly extension to this ore body has been opened up. High-grade ore is now being opened up in the Garbutt vein at the 250-ft. level with 32 ft. of the drift running $11.20 to $50 a ton.

* * *

Cymry Gold Mines is reported to have completed arrangements for shipment of ore from its property in the Larder Lake area to the mill on the Hollinger Ross mine, 16 miles to the west of the Cymry ground. Shipments of 100 to 125 tons are said to be proposed. Mining will be done by glory hole methods with the ore transported by truck.

* * *

Dictore Porcupine Mines optioned 250,000 shares to K. B. Dixon on Oct. 30, as follows: Blocks of 100,000 shares each at 5 and 7½ cents a share; and 50,000 shares at 10 cents, payable within 80 days. Authorized capital of 3 million shares with 1,035,005 issued.

* * *

Edgemont Mines optioned one million shares to A. A. Nicholson on Nov. 8, as follows: 160,000 shares at 5 cents a share; 140,000 shares at 8 cents a share, and balance at 13 to 40 cents per share, payable $2,000 within 30 days and a minimum of $2,500 monthly thereafter, to be completed within 18 months. Authorized capital is 3 million shares with 1,168,255 issued.

* * *

Eldorado Gold Mines has made a change in staff with J. P. Ryan appointed mine manager to succeed Emile Walli who has held that position the last six and a half years. Mr. Ryan has been an operating executive at Eldorado's Great Bear Lake property since the inception of development there. Mr. Walli plans to make his headquarters in Toronto where he will be associated with the LaBine interests.

* * *

Gunnar Gold Mines established a new all-time record for production in October with output of $60,040 from 4,349 tons of ore milled for an average recovery of $13.80 per ton. The company's third quarter statement will show the year's dividends earned in nine months, after allowance for all charges.

* * *

Halcrow Swayze Mines officials are endeavoring to arrange additional funds for resumption of operations on the company's property in Halcrow township, Swayze district. Definite plans have not matured, but directors are working to place some of the newly-created 500,000 shares of treasury stock to provide for a new programme. No work has been done since 1936 prior to which a 370-ft. shaft had been sunk and lateral work carried out on three levels. It was reported approximately 125,000 tons of ore, averaging around $4.20, had been proven.

* * *

International Mining Corp. has deferred action on the current dividend until about Dec. 6.

* * *

Hollinger Consolidated has declared an extra dividend of 5 cents a share payable along with the regular four-weekly dividend of 5 cents a share on Dec. 2, 1939, to shareholders of record Nov. 18.

* * *

Little Long Lac Gold Mines has declared a dividend of 10 cents per share payable Dec. 11, 1939, to shareholders of record Nov. 27. A similar payment was made on Aug. 26, 1939.

* * *

Lamaque Gold Mines has declared regular quarterly dividend of 10 cents per share payable Jan. 1, 1940, to shareholders of record Dec. 8, 1939. Ex-dividend date on Toronto Stock Exchange is Dec. 7.

* * *

La Reine Gold Mines has called a special meeting of shareholders for Nov. 23 to approve changing the company's name to La Reine Molybdenum Corp.

* * *

Laguna Gold Mines showed an increase in output in October as shown below:

1939:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
October ...	2,712	87	24.99	68,000
September.	2,704	90	24.73	66,858

* * *

Matachewan Hub Pioneer Mines has sold four claims to the newly incorporated Allied Iron & Sulphur Mines. Matachewan Hub is the principal shareholder in new company and has two representatives on the board of directors of the new company. Exploration of the six remaining Matachewan Hub claims will be undertaken for gold possibilities. Investigation of the sulphide zone is also planned.

* * *

Morris Kirkland Gold Mines has received payment for balance of the Nov. 8 underwriting installment, comprising 20,000 shares at 5 cents a share. Issued capital is 2,382,717 shares with 617,283 remaining in the treasury.

* * *

Mackenzie Red Lake Gold Mines has declared the regular quarterly dividend of 4 cents a share plus an extra of 2 cents a share, payable Dec. 15, 1939, to shareholders of record Dec. 1; ex-dividend Nov. 30.

* * *

Naybob Gold Mines produced $33,833 from 4,235 tons of ore in October for an average recovery of $8 a ton. Operating costs totalled $22,533, it is stated, leaving an operating profit of $11,301. In the previous month, $33,065 was produced from 4,124 tons of ore, with operating profit of $12,736.

* * *

Relief Arlington Mines production and operating profit were slightly lower in October as shown below:

1939:	Total *recov. $	Oper. *profit $
October	5,845	38,516
September	9,750	43,225

* Based on $35 gold.

* * *

Sladen Malartic Mines showed a considerable increase in production in October:

1939:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
October ..	19,752	631	3.79	74,862
September.	15,100	503	4.08	61,608

* * *

Santiago Mines has opened up about 55 ft. of well mineralized ore in drifting on the west vein in October, it is reported. The property is located on Lasquette island off the west coast of British Columbia.

* * *

Simpson Gold Mines optioned 1,400,000 shares to Cardigan Securities Ltd., as follows: 750,000 shares at 5 cents per share; 250,000 shares at 7 cents per share; 400,000 shares at 10 cents per share, payable $500 at once, $2,000 within one month and thereafter $2,500 monthly. Authorized capital is 3 million shares with 1,500,005 issued.

* * *

Springer Sturgeon Gold Mines still retains its holding of 408,200 shares of Leitch Gold Mines, according to a report issued shareholders. The annual income of $32,000 derived from this holding allows the company to carry on its exploration and development work. An option has been taken to acquire the Burke-Thorne property claims in Heenan twp., Sudbury area, Ont. A superficial examination of this property has given encouraging results from 18 samples taken along a length of 250 ft. Both ends of this showing are apparently open. Some of the values are stated to have run over an ounce per ton. In addition, Springer Sturgeon holds 500,000 shares of Amorada Gold Mines which holds a large property adjoining the Burke-Thorne group. Claims staked in Barraute twp., Quebec, recently, will be prospected next year.

* * *

Teck-Hughes Gold Mines has declared regular quarterly dividend of 10 cents a share payable Jan. 1, 1940, to shareholders of record Dec. 8, 1939. Ex-dividend date on the Toronto Stock Exchange is Dec. 7.

* * *

Troy Consolidated Gold Mines is stated to be planning extensive diamond drilling and underground work at its property near Shenango Gold Mines, Oba district, Ont. Company is sponsored by Sudbury and Toronto interests. Assessment work has been completed on the 26 claims which comprise the former Glick and Hawkins claims. Surface development is stated to have uncovered several veins, and test pit sampling gave some encouraging values. Surface outcrops indicate continuation of the favorable structure. Directors are: Senator N. J. Harmer and Harry Sigler, Ottawa; C. A. Durkee and R. J. Steepe, Sudbury.

* * *

Wright-Hargreaves Mines has declared three dividends—the regular quarterly dividend of 10 cents a share, an extra of 5 cents a share, both payable Jan. 2, 1940 to shareholders of record Nov. 23, 1939; and an interim dividend of 10 cents a share payable Jan. 15, 1940, to shareholders of record Dec. 1, 1939. All dividends are in U. S. funds.

Central Manitoba Retains Over $250,000 on Hand

From Our Own Correspondent

WINNIPEG. — Though Central Manitoba Mines Limited has not been operating for more than a year, company still has current assets of more than a quarter of a million dollars of which $163,176 is cash.

In addition its portfolio contains $10,000 of bonds; 50,000 shares in Berens River Mines.

Eleven properties were examined during the year, and one group of prospectors worked on surface exploration on property adjacent to Central Manitoba Mines. Results were inconclusive, but sufficient to warrant a continuation. Two prospectors also worked around Elbow Lake, Northern Manitoba and were moved to Granville Lake, north of Sherridon, where two groups of 18 claims were staked.

Loss for year before depreciation was $6,835.

Early War Effects Favor Gold Mining

But Long Term Prospect More Difficult to Appraise

By GORDON M. GRANT
Staff Writer, The Financial Post

What war means to gold mining in Canada is being pondered by holders of shares in dividend-paying gold mines throughout this country.

No simple and categorical answer to that question is yet possible, the situation not having developed sufficiently to supply one. Transition to the economy of wartime is still just starting. Many new forces already known to be at work; other diverse forces are just now coming into play or revealing themselves; and the future holds still further surprises, it is supected.

But even at this early date one thing is clear. All the factors are not unfavorable. If there are to be losses for gold mining, there will also be gains. Tangible losses to gold mining have so far been a minimum.

War should affect gold mining in three major respects:

1. The price to be received for gold produced.
2. Costs, expected to rise with war.
3. New taxation, levied to finance war's cost.

Rise in Gold Price

At the outbreak of war, an increase in the Canadian price of gold from $35 to $38.50 an ounce—due to the decline of the Canadian dollar at New York— far overshadowed both costs and taxation. Its effects were immediate. Gold mine revenue was increased 10% and stock market interest in gold stocks was maintained when a sharp price decline might well have been expected.

Faced with an unexpected but not unwelcome higher gold price, mining companies adjusted their policies. The result in most cases, was to lower slightly the average gold content in ore treated but not sufficiently to prevent the higher gold price increasing revenue substantially.

Decisions of various mines, of course, differed. Some were undoubtedly influenced by the new excess profits tax. It was realized that for most, treatment of even the same grade of ore would mean considerably higher taxes, if higher costs did not first intervene. Numerous mines considered it only good business to treat all material that would show a profit. This resulted in many cases in treatment of ore with a lower gold content.

Varied Situations

Varying situations at different mines are resulting in varying practices, however. A few mines have no great quantity of lower-grade ore, so treatment of lower-grade material is not important. Mines such as Pickle Crow and Leitch are in this category. Other mines, such as Hollinger, have large quantities of lower-grade material available.

Even mines such as Pickle Crow and Leitch, however, may find it possible to draw ore from their lower-grade levels to keep down mill heads. This can only be done for so long, however.

Will Costs Rise?

Gold mining investors have heard stories of gold mines closed down in the last war due to high costs. A study reveals it was not so much high costs that affected gold mines as shortage of labor.

The experience of Hollinger and Dome in the last war is illuminating. In 1913 Hollinger was just getting under way; 138,291 tons of ore were treated in that year with a total recovery of $2,465,978. Net profit realized was $1,628,113. Average recovery was almost $18 per ton even with gold selling at the old price of $20.67 an ounce.

By 1917 production was close to double at $4,261,939 and the tonnage milled was nearly four times as great as 508,139 tons of ore. Profit was slightly higher at $1,720,315. Average recovery had come down to $8.39 per ton.

Total costs per ton were reduced from $6.06 in 1913 to $5 in 1917. If a larger tonnage, of ore had not been milled, costs would probably have risen considerably.

Dome Cost Almost Halved

In the year ended March 31, 1914, Dome Mines realized a profit of $457,695 from treatment of 145,305 tons of ore for a total recovery of $1,204,596. In eight months of operation ended Nov. 30, 1917, profit was $355,024 with 247,000 tons of ore milled for a bullion production of $1,030,758.

Costs per ton showed a decline from $5.14 in 1914 to $2.74 per ton in the 1917 period. This decline, and Hollinger's too, must have been due to a higher mill rate although development may have been reduced. Average recovery dropped from $8.29 in 1914 to $4.17 in 1917 for Dome. Evidently both Dome and Hollinger were experiencing a period of transition from the treatment of high-grade to lower-grade ore during the last war.

Starting Dec. 1, 1917, Dome suspended milling operations and all available men were concentrated on shaft sinking. The end of hostilities resulted in a return of mine workmen and a drop in costs of operating supplies. Hollinger continued production throughout the entire war, Its 1918 profit was even 50%. higher than that reported in the previous year.

Labor Shortage

Cost figures of Hollinger and Dome unfortunately do not give all the information desired on what happened in the last war. Supplies certainly showed a marked increase in price and labor costs went up. Shortage of skilled labor was as great a handicap as any. Mining companies this time may train extra men for key positions so enlistments will not seriously cripple continuity of operations.

Certainly the experience of the last war gives nothing to indicate that established gold mines in Canada will be severely handicapped unless an absolute shortage of labor occurs. In the last war extra revenue received from the premium on gold was negligible, so gold mining has a head start for the present war.

Mining was relatively new to Canada at outset of the last war and practically all experienced miners were of military age. Now there must be a great body of over-age experienced miners that can be called back into harness if a labor shortage should occur.

Mining Costs Differ

All costs do not rise just because the general level of supply costs and wages do. Mining costs are of two different types, operating and non-operating. Current charges incurred from day to day and met in the same way are nearly always operating costs. It is here that the biggest increase is expected. But a large part of costs is of a non-operating character and is not affected by any new change in price levels. For instance, preproduction expense, incurred perhaps years before the outbreak of war, is often still being written off at so much per year based on tonnage of ore milled. Plant depreciation is in somewhat the same category. It is usually written off as an annual percentage on buildings and equipment, until the whole is written off. Of course on certain equipment that will have to be replaced during wartime; depreciation charges will likely be higher.

Some operating expenses too may remain relatively fixed under war conditions. One is electric power. Electric power is practically always purchased under long-term contract at so much a horsepower.

Benefits of Mechanization

Gold mining companies have their operations on a more thoroughly mechanized basis than was the case in the last war and consequently the labor problem is not so important. Some mines have pushed development well beyond current ore requirements and these mines might get by for a very considerable period with a reduced working staff.

Gold Mines are not in as good a position as the base metal mines in this regard, however. While a good supply of labor remains available, gold mines might be well advised to extend work beyond present needs. Cost could be deferred to future operations.

Mechanization may be the eventual answer of the gold mines to the challenge of a shortage of labor. It is estimated one to one and a half years might elapse before thorough mechanization could be placed in effect in the different mines. Equipment deliveries would likely be slower as war demands on the heavy industries increased. Responsible people say, however, that chances of the mining industry getting continued deliveries in wartime are very good.

Much has been made of rise in costs since outbreak of war. So far this rise has not been important. Mining equipment is only up 5% to 10%. This is partly due to the adverse exchange rate which raises the costs of imports of certain items. The rise is stated to offset a drop in equipment prices caused by successive war scares which had previously "forced prices down to cost."

Mining supplies are about 5% above the prices prevailing on Sept. 1. Many mining companies have guarded against higher supply costs by acquiring supplies sufficient for two or three years requirements. Some of these contracts are at today's prices.

Subdivision of Costs

Despite the fact gold mines now need less manpower to mine and mill a given tonnage of ore than during the last war, labor costs are still the biggest individual item of expense in gold mining. It is estimated roughly 40% of all expenses of gold mines are for wages. Another 40% goes for freight, electric power, supplies and miscellaneous items such as chemicals, timber, steel balls, and rubber goods. The remaining 20% is for depreciation, pre-production expense, taxes and other non-operating expenses.

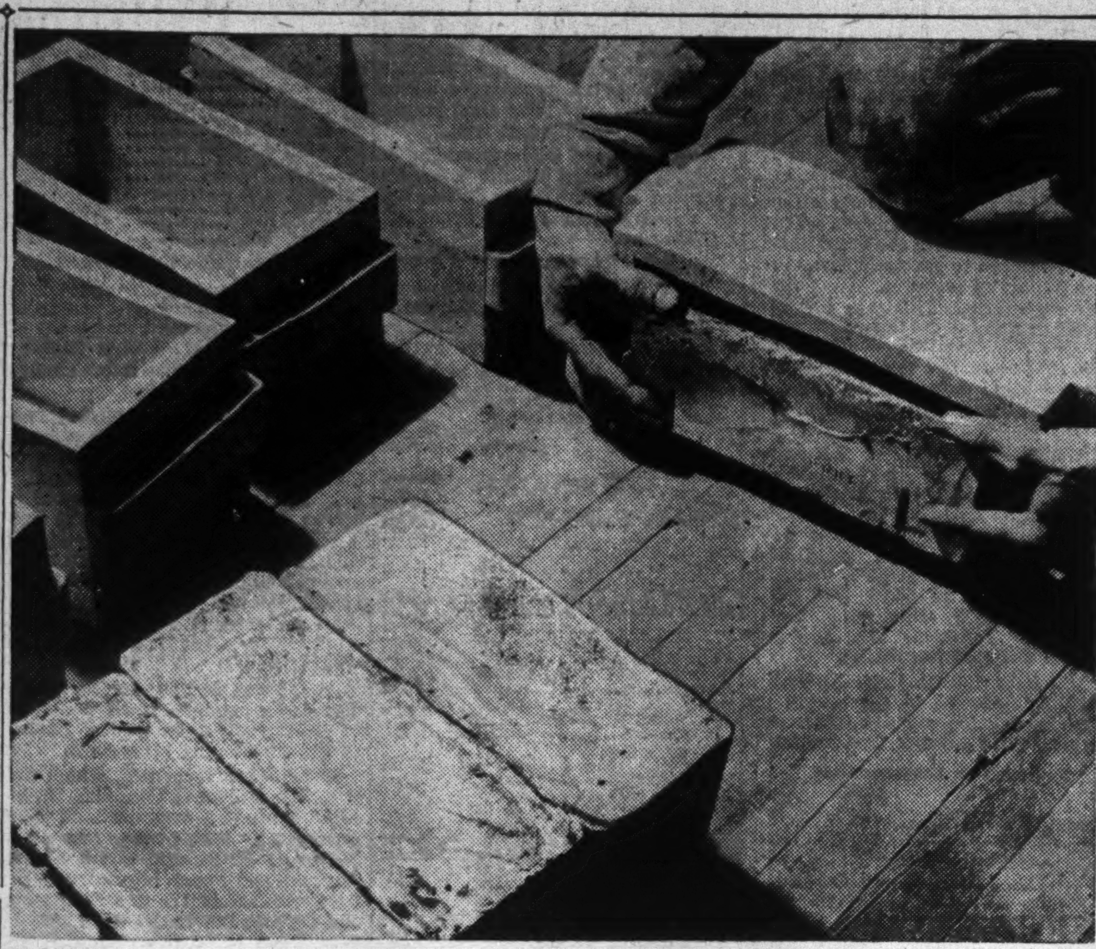
Of course, the situation varies from mine to mine. It is these differences the investor is now likely to become quick to notice. If one mine has a higher proportion of relatively fixed costs than another, its earnings are likely to withstand a general rise of costs better.

Taxation

Heavier taxation of gold mines is anticipated in wartime and managements of the various mines expect it. Part of this taxation may be indirect but most of it will likely be borne directly. The tax on hydro-electric power is one unexpected increase in costs already experienced.

The chief taxation burden, however, is expected to come through the excess profits tax. It is practically certain now that this tax will be revised so discrimination against new gold mines is eliminated. What new form the tax will take is not known, but there is a feeling in the gold mining industry that all companies should help contribute to the cost of war—not just a limited number. All gold mines benefit from the increased price of gold and it seems reasonable all should contribute to the tax. That the tax should be levied on net profits all will agree The old gold bullion tax turned certain ore into so much waste material which it did not pay to treat.

Canadian gold exports are sufficient to pay 4% interest on $4 billions of Canadian foreign indebtedness; no mean contribution in wartime. Recognition of gold mining as a key war industry should go far to maintaining the industry's stability.



CONCENTRATED WEALTH

Production of gold, symbolized by gold bricks, is a key factor in maintaining Canada's world financial position with the Empire at war. Sustaining and increasing output now rates as a national duty. While many unknown factors remain in the situation to worry the gold mining investor, developments so far have been not unfavorable. Study of Hollinger and Dome in the last war shows these companies pared their costs by increasing mill capacity. A shortage of man power was the chief war problem.

Consulting Engineers

Shoemaker & Burnham
CONSULTING ENGINEERS
Specializing in Mill Design, Metallurgy, Power and Mining Plants.
Room 1201-1207
45 Richmond St. West,
Toronto, Ont.
Waverley 4466

Legal Directory

Pitblado, Hoskin,
Grundy, Bennest &
Drummond-Hay
Barristers, Solicitors, etc.
WINNIPEG, CANADA

LANG & MICHENER
BARRISTERS, SOLICITORS, ETC.
DANIEL W. LANG, K.C.
D. R. MICHENER C. M. RICKETTS
H. S. DAY E. B. JOLLIFFE
372 BAY STREET, TORONTO
TEL. WA. 2931
CABLE ADDRESS "LAMER"

McLAUGHLIN, JOHNSTON,
MOORHEAD & MACAULAY
Barristers, Solicitors, Notaries
302 BAY ST., TORONTO
Telephone: ELgin 4217
L. Macaulay, K.C., M.P.P.
H. J. McLaughlin, K.C.
W. W. McLaughlin
D. C. Wells R. F. May
H. W. Alles R. H. Soward
L. B. Webster J. M. Magwood

W. M. COUPER, K.C.
Advocate, Barrister, Etc.
486 St. John St., Montreal
Tel. MArquette 3005

DAY, FERGUSON, WILSON
& KELLY
BARRISTERS, SOLICITORS, Etc.
James E. Day, K.C. Thomas J. Day
Roland F. Wilson, LL.B. Arthur Kelly
H. Emerson Martin John R. Brimage
1116 FEDERAL BUILDING
85 Richmond St. W. Toronto 2

FENNELL, PORTER & DAVIS
ROBERT FENNELL, K.C. DANA H. PORTER
BRUCE P. DAVIS
BARRISTERS, SOLICITORS
Telephones ADelaide 7382-7383-7384
CABLE ADDRESS, "THIMSON."
TORONTO CANADA

Profit Down For O'Brien

Reserves Are Better — Other Items Show Little Change

Little change is shown in the position of O'Brien Gold Mines by annual report for the year ended Sept. 30, 1939. While earnings were slightly lower at 16 cents compared with 17 cents the previous year and working capital declined to $623,854 from $855,959, ore reserves increased over 30,000 tons to 159,291 tons averaging 0.395 oz. gold per ton. Grade of ore in reserve is somewhat lower.

Decline in working capital was partly due to $281,103 of capitalized development, including No. 3 shaft area, and partly to payment of $650,000 dividends not entirely covered by the year's profit of $506,313.

Production for 1939 was $1,332,360 obtained from 57,851 tons of ore milled against $1,415,862 from 56,109 tons the previous year. Principal development during the year was deepening No. 3 shaft from 607 to 1,481 ft. with stations at 125-ft. intervals and completion of main drive west from No. 2 shaft on the 1,500-ft. level to No. 3 shaft.

This connection has made a large section of favorable territory available for exploration from the main shaft, it is stated. Development elsewhere was confined largely to No. 1 and No. 9 veins below the 1,000-ft horizon with favorable results.

From July 17 to Dec. 31, 1938, expenditures of Cline Lake Gold Mines exceeded revenue by $2,924 but in the nine months ended Sept. 30, 1939, an operating profit of $258,466 was realized before taxes, depreciation and deferred development.

Income and Surplus Account

	Oct. 1 1938 to Sept. 30 1939	Oct. 2 1937 to Oct. 1 1938
	$	$
Bullion production	1,332,360	1,415,862
Less: From conc., pr. period	......	106,028
	1,332,360	1,309,834
Add: Int., invests. & deposits	18,347	17,840
Total income	1,350,707	1,327,674
Less: Oper. expenses	472,855	417,200
Marketing expense	16,512	16,569
Legal & dir. fees, etc.	46,347	47,396
Depreciation	73,671	66,000
Non-oper. develop.	162,009	140,012
Outside explor. w/o	......	3,074
Prov. for inc. taxes	73,000	92,000
Net profit	506,313	545,423
Less: Dividends	650,000	......
Surplus for year	*143,687	545,423
Add: Prev. Surplus	1,293,070	744,506
Surplus realized on concs.	......	7,907
Profit on invests.	1,687	......
Less: Loss on invests.	......	2,559
Organ. exps. w/o	......	2,207
Surplus forward	1,151,070	1,293,070

*Deficit.

Earns. per Share & Divd. Record:

Earned	$0.16	$0.17
Paid	0.20	nil

Working Capital As At

	Sept. 30 1939	Oct. 1 1938
	$	$
Current assets	1,087,358	910,056
Current liabilities	463,504	154,097
Working capital	623,854	855,959

Where Belligerents Get Oil

Europe is oil starved and oil is almost more vital in this kind of war than shells. Germany's oil position is extremely dire as indicated in an article in The Financial Post last week; so dire, in fact, that her delay in making a major air attack on Britain is believed by some of the best informed observers caused by the Nazi lack of gasoline.

Following are the sources from which Britain, France, Germany and Italy got their crude oil supplies last year, a compilation of the Oil and Gas Journal.

	Great Britain		— France —		— Germany —		— Italy —	
Origin—	Tons	%	Tons	%	Tons	%	Tons	%
Venezuela and Dutch W. Indies	4,45[illegible],559	38.1	857,821	10.6	2,232,784	44.4	429,689	16.1
United States	2,061,223	17.6	2,818,232	34.6	1,193,143	23.7	980,830	37.2
Iraq	520,529	4.4	3,144,078	38.6	......	...	237,448	8.9
Iran	2,298,027	19.6	119,904	1.4	188,123	3.7	141,272	5.3
Roumania	342,010	2.9	223,300	2.8	450,555	8.9	518,376	19.5
British West Indies	762,832	6.5	......	...	......	...	......	...
Mexico	238,270	2.0	23,425	0.2	434,410	8.6	17,048	0.7
Peru	79,912	0.7	343,787	4.3	130,088	2.5	......	...
Colombia	......	...	420,066	5.2	......	...	117,506	4.4
U.S.S.R.	292,889	2.5	113,390	1.4	81,113	1.6	4,180	0.1
Dutch East Indies	87,244	0.7	20,217	0.2	159,396	3.1	61,711	2.3
Albania	......	...	......	...	......	...	65,313	2.4
Ecuador	......	...	47,000	0.5	......	...	......	...
Esthonia	......	...	......	...	31,500	0.6	......	...
Poland	......	...	582	...	19,496	0.3	5,876	0.1
Others	549,005	4.6	9,957	...	98,456	1.9	76,810	2.9
Total	11,696,500	...	8,165,578	...	5,019,072	...	2,616,058	...

Chesterville Makes Profit

Earnings in October Are Reported at 23-cent Rate

Estimated net profit of $33,656 was realized by Chesterville Larder Lake Gold Mining Co. in October, shareholders were informed at a special meeting on Nov. 10. This was at a rate of 23 cents per share per annum, it is stated.

Net profit from commencement of milling on June 16, 1939, to Oct. 31, totals $61,706.

At the meeting, shareholders approved a by-law for issuance of 67,900 shares of stock at 65 cents a share to the underwriters, in consideration of cancellation of outstanding options. Another by-law authorized the management to withhold issuance of annual reports until the time of annual meetings. Fiscal year of the company has been changed from Dec. 31, to Dec. 15 to coincide with the period of exemption under the Gold Tax Exemption Act.

Higher Production

Production in October was estimated at $95,641 from 15,806 tons of ore, an average recovery of $6.04 per ton with gold at $38.50 an ounce. This was a considerable increase from the $67,224 recovered from 15,003 tons of ore for an average recovery of $4.48 per ton in the previous month.

At present there are stated to be approximately 1.5 million tons of ore in sight. Recently two new ore bodies were located but not enough work has been done to estimate the possibilities.

Crosscutting at the third level has intersected "A" ore body and drifting is proceeding east and west. From the east drift, 228 tons averaged $8.81 and 238 tons from the west drift averaged $5.47 per ton, an overall average of $7.10. The crosscut on the fourth level was expected to reach the "A" ore body in about 50 ft.

Northern Royalties Well Drilling Again; Casing Set

From Our Own Correspondent

WINNIPEG.—Northern Royalties has resumed drilling after setting casing in the hole, now down 850 ft. Actual drilling time was only eight days with the fast heavy-duty type rotary rig.

Coal Gate oils is also reported to be getting ready to resume activities in the same field.

BACHELOR CIGARS 10¢
100% Havana Filler

Mining Enquiries

Falconbridge Nickel

Do profits of Falconbridge Nickel Mines lend hope for a higher dividend rate?

Profits of Falconbridge Nickel Mines so far in 1939 have been running at a considerably higher rate than in 1938. For instance, profit for the third quarter was $464,540 compared with $269,032 in the same period of 1938. On the 3,337,507 shares issued, third quarter profit was equal to 14 cents a share, or a rate of 56 cents per annum. Costs have gone up lately, however, with delays experienced in deliveries of matte to the refinery in Norway. Outlook for profits in the fourth quarter as great as those in the third quarter is by no means favorable, the company states. This is said to accentuate the need for maintaining a strong liquid position.

Although profits have been consistently above the 30 cents per annum dividend rate for some time, officials have stressed building up working capital so alternative refining capacity can be built up if the Norway refinery should become unavailable through war. The financial position is now such that alternative handling can be placed in effect if necessary. Since the company now stresses only the need for maintaining the working capital position—not bolstering it—consideration may be given to paying extra dividends as earnings warrant. The excess profits tax limits amounts available for such dividends, however.

Madsen Red Lake

Is it possible to make some estimate of earnings for Madsen Red Lake Gold Mines?

Substantial operating profits have been realized by Madsen Red Lake Gold Mines during 1939 and on the basis of last year's total costs, net profit for the seven months ended Sept. 30, 1939, should amount to about $160,000. This would be at a rate of approximately $275,000 per annum with earnings 8 cents a share. Shaft sinking has been carried on in 1939 and it is possible that greater costs make this estimate somewhat too high.

Ore reserves were slightly over 2½ years' milling requirements on Feb. 28, 1939, and indications are the ore reserve position has been maintained since. An interesting new development has been discovery of ore at depth. This prompted decision to continue the shaft with new levels at 650 and 800 ft. Early underground work indicated bottoming of ore above 500 ft. depth. Of 12 drill holes put down in two groups east and west of the shaft in a new drilling programme, nine gave commercial values.

Working capital should now be substantially higher than the $21,640 reported on Feb. 28, 1939. The time seems to be approaching when the company may enter the ranks of the dividend-payers.

Beresford Lake

Have recent developments at Beresford Lake Gold Mines been favorable?

During 1939 Beresford Lake Mines was successful in locating a new ore zone on its property in Manitoba. Diamond drilling indicated commercial ore over a considerable length and efforts are now being concentrated on putting out a cross-cut to develop this ore underground. When some results on this work are available, it will be easier to form an opinion as to the company's possibilities.

The company has been able to raise some new funds by sale of treasury shares and officials do not believe any great expenditure of funds will be necessary for the present programme. A small mill is already on its property and this can be placed in operation again when ore conditions warrant.

Diversified Securities Net Asset Value Rises

From Our Own Correspondent

MONTREAL. — Consolidated Diversified Standard Securities Ltd. reports that the net asset value of the company's preference shares on Oct. 31 was $23.88 a share. This compares with $23.57 a share on Sept. 30, and $23.04 at the end of 1938.

Conveying
& Elevating Equipment

Modern Power Transmission
Equipment

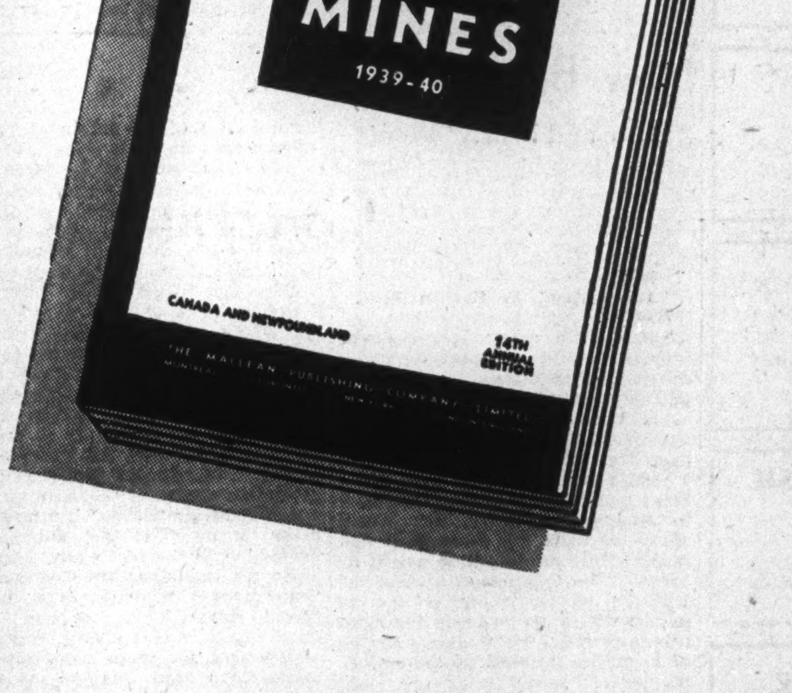
Coal & Ore Handling Bridges

Welded Processing Equipment

Steam Generating
Equipment

Inquiries Invited

UNITED STEEL CORPORATION
LIMITED
TORONTO . . WELLAND
DODGE MANUFACTURING DIVISION
CANADIAN MEAD MORRISON
MONTREAL . . WINNIPEG



Ready Next Week

The 1939-40 edition of the most complete analysis available of the mining industry of Canada and Newfoundland will be ready for delivery on November 20th.

On producing companies, it will contain a full record of production, costs, earnings, dividends, financial structure and details of directorate and personnel. Companies under development will be fully covered.

Every mining area and every mining camp of consequence will be shown on accurate, exclusive, up-to-the-minute maps.

Mine operators, engineers, shareholders and those who sell equipment and supplies to the mines regard this noteworthy standard reference work as indispensable.

IT WILL GIVE . . .

Location of the Mines
Who Own Them
Who Operate Them
Their Financial Structure
Development Results
History of Operation
Record of Production
Price Range of Stock
Dividend Records
Maps of Areas and Properties
Metal Prices
Facts and Figures About the Canadian Mining Industry

248 pages. Size 12" x 9". $2
Price Per Copy Postpaid

YOUR ORDER FORM

THE FINANCIAL POST, 481 University Avenue, Toronto 2.

Send me, postpaid, ...copies of The Financial Post SURVEY OF MINES, 1939-40.

Herewith $............in payment.

NAME ....

ADDRESS ....

.... 87

Home Front

Toronto Citizens Committee Co-ordinates Benevolent Work

Social repercussions from the concentration of large bodies of troops for war training have in the past been one of the most serious concomitants of war.

Maladjustments, lack of proper recreation, and above all the stern discipline of an army has resulted in serious excesses. In the last war a multitude of well-meaning organizations fell over each other in an effort to provide beneficial recreation. The usual results were that military authorities, worried by the barrage of offers, clamped down on voluntary services that would have brought amelioration of the problem.

Early in the present conflict, a group of public-spirited citizens saw the old problem reasserting itself, and forthwith took measures to fight against its repetition.

The Citizens Committee for Troops in Training has been vested with power by military authority to channel all aid from voluntary organizations to the large community of troops stationed in Toronto.

The efforts of all worthy wartime charities, such as Red Cross, Salvation Army, Y.M.C.A., Sports Service League, I.O.D.E., etc., will be controlled by the Citizens' Committee in regard to troops in training, so that the maximum benefit with minimum expense will be obtained. Expensive overlapping of services will therefore be eliminated.

The committee will see that the troops will receive proper recreation, entertainment and sports. Military properties will be provided with all equipment necessary for the intelligent entertainment of the soldiers, stages, public speaking systems, boxing rings, gymnasia, books, etc. With an eye to eventual demobilization, educational facilities and vocational guidance will be provided.

Direct liaison between the committee and the military commanding officer is to be maintained by Major D. W. Megaffin. It will be his responsibility to see that all requests or needs of the troops are submitted to the committee, which in turn will be transmitted to the charitable organization concerned. If the request is not available through an affiliated organization the committee will meet the requirement itself.

No public appeal for funds will be made. Needs will be privately subscribed. There are only two paid officials of the organization. Response to requests for various articles for pianos, radios, sporting equipment, etc., has reflected public interest in the scheme.

C. L. Burton is chairman of the board of directors. J. J. Vaughan and J. A. Tory are vice-chairmen. Other members of the board are: F. K. Morrow, D. H. Gibson, Hon. G. Howard Ferguson, and W. B. Cleland. J. S. Tory is chairman of the executive committee, composed of chairmen of the various committees.

Committees have been appointed to look after every phase of the organization's work.

Chairmen of the committees are: Entertainment, Jack McLaren and H. Napier Moore; Sports, John G. Porter; Women's, Lady Kemp; Finance, G. Howard Ferguson; Publicity, Joseph W. G. Clark and Clark E. Locke; Education, W. J. Dunlop and Dr. C. C. Goldring.

The Citizens' Committee is extending its activities to two other great Canadian training centres, Trenton and Camp Borden. The Salvation Army is already operating at Camp Borden and has requested the committee to augment its work.

The plan of the committee is regarded by many as an excellent pattern for other Canadian centres that will be faced with the problem of placing at troops' disposal recreation and entertainment that will prove both beneficial to the men and remove the old evil that has in the past accompanied the concentration of large bodies of soldiers.

The Department of National Defense already has under its direction auxiliary services to Canada's Active Service Force, headed by Brigadier W. W. Foster. When Col. Charles R. Hill was appointed on Oct. 18 to organize auxiliary services in Military District No. 2 he found the Citizens Committee functioning in Toronto, which obviated the necessity of doing much organizational work. His duty will be to survey other military districts in the Dominion and create organizations to do just the task that the Citizens Committee is now doing.

CHARTERED ACCOUNTANTS

BENSON, GOORD & DAVIDSON
Chartered Accountants
Confederation Life Building,
TORONTO,
NEW LISKEARD and COCHRANE

RONALD, GRIGGS & CO.
Chartered Accountants
WINNIPEG
SASKATOON

ARTHUR S. FITZGERALD
AND COMPANY
Chartered Accountants
WINDSOR ONTARIO

Black, Hanson & Co.
Chartered Accountants
Winnipeg, Fort William
and Port Arthur

Masecar, DeRoche & McMillan
Chartered Accountants
SASKATOON, SASK.

SHARP, WOODLEY & CO.
CHARTERED ACCOUNTANTS
313 CONFEDERATION LIFE BLDG.
WINNIPEG, MAN.

J.P. LANGLEY & CO.
C. P. ROBERTS, F.C.A.
Chartered Accountants
TORONTO
KIRKLAND LAKE
ONTARIO

McDonald, Currie & Co.
Chartered Accountants,
Licensed Trustees & Receivers
MONTREAL TORONTO QUEBEC OTTAWA

ROBERTSON, ROBINSON, McCANNELL & DICK
Chartered Accountants
D. H. McCANNELL — Licensed Trustee in Bankruptcy
Sterling Tower, Toronto

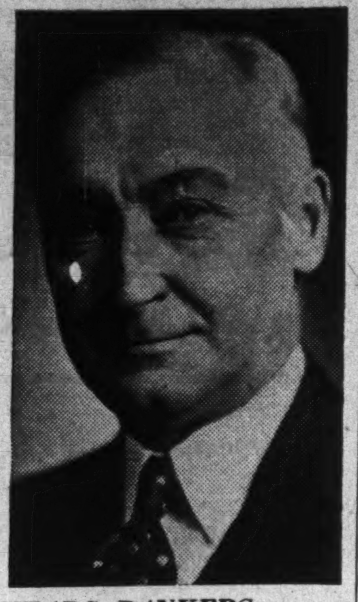
CLARKSON, GORDON, DILWORTH & NASH
CHARTERED ACCOUNTANTS
15 Wellington Street West, Toronto
Toronto—Montreal—Hamilton—Winnipeg—Vancouver
E. R. C. CLARKSON & SONS
Licensed Trustees and Receivers
15 Wellington Street West, Toronto

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

OSCAR HUDSON & CO.
CHARTERED ACCOUNTANTS
Head Office — 199 Bay St. — Toronto, Ont.
Telephone ADelaide 2381
Branches — Montreal, Winnipeg, Vancouver

THORNE, MULHOLLAND, HOWSON & McPHERSON
CHARTERED ACCOUNTANTS
E. J. HOWSON
R. S. McPHERSON
Licensed Trustees
FEDERAL BUILDING
TORONTO
GALT
KITCHENER

RUTHERFORD WILLIAMSON & CO.
CHARTERED ACCOUNTANTS
RUTHERFORD WILLIAMSON, F.C.A. HAROLD A. SHIACH, F.C.A.
TORONTO, MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A. F. R. McCutcheon, C.A.



HEADS BANKERS

At the annual meeting of the Canadian Bankers Association in Montreal last week, H. F. Patterson, general manager of the Bank of Nova Scotia, was elected president, succeeding S. G. Dobson, general manager of the Royal Bank of Canada, who had held the office for the last two years.

May Set Elections Every Two Years

Ontario Gov't Modifies Original Municipal Proposal

The Ontario Government's Local Government Extension Act, 1940, now in the process of final drafting for submission to next Legislature session, provides for definite two-year terms for all municipal councils and local boards. Most Ontario municipalities vote every year.

The terms may be extended by the Organization of Resources Committee if it believes that this motive is in the national interest. The term may then be extended by proclamation for further periods of one year.

Highlights of Bill

The bill provides for:

1. Election for all municipal bodies every two years.
2. Extension of the two-year period by the Organization of Resources Committee if deemed necessary.
3. Continuation of the two-year term system where it is already in effect.
4. Voters' list in use prior to legislation will remain valid.
5. By-laws which come under the Municipal Act, requiring assent of electors, will continue to be voted upon.

"Waste of Time, Money"

A storm of controversy arose over the Government's previous proposal to suspend municipal elections for the duration of war. A number of municipalities proposed to hold plebiscites in this connection. Hon. Eric Cross, Ontario Minister of Municipal Affairs, objected that such action would defeat the purpose of the bill, which was designed "to remove such matters from the arena of partisan municipal politics."

Tax Receipts Rise in Sask.

The larger crop in Saskatchewan is beginning to be reflected in revenue collections of the Saskatchewan Government.

Receipts from Saskatchewan's sales tax for educational purposes totalled $687,133 in the quarter ended Sept. 30. This is the largest in any quarter since the tax was put into force. It is an increase of $130,281 over the corresponding period of 1938 and an increase of $60,000 over the quarter ended June 30, 1939.

Securities Repatriation in War

(Continued from page 11)

gave orders for the sale of specific securities, such as Royal Dutch Shell Co. and the 3½% Consolidated Uruguayan bonds.

When the securities loaned under the two-year arrangement began to fall due in March, 1918, the offer was extended. Majority of depositors agreed to the extension.

On Jan. 2, 1919, the prohibition on the sale of securities abroad without the Commission's permission was removed and duties of the organization were reduced to granting permits for the import of securities sent abroad for registration. This was the first move to dissolve the Commission following the cessation of war. Purchase of securities was discontinued on the same date and the work of the organization had come to an end.

The machinery established by the British Government in the emergency fulfilled its task admirably. Banking officials expressed the opinion that the American Dollar Securities Committee "saved the day" early in the war. The pound sterling was maintained at a virtually uniform rate of $4.76 7/16 until March 21, 1919, when support was removed. Following that date the pound declined drastically.

The following tabulation shows the stability brought to the pound by the Commission and its subsequent decline once support was removed:

New York Exchange Rate

	High $	Low $
Aug. 1, 1914	7.00	.....
Dec. 31, 1914	4.86⅛	.....
July 1, 1915	4.77	.....
1916-17 1917-18 1918-19	Uniform rate of $4.76 7/16	
1919-20	4.69½	3.30¼
1920-21	4.04½	3.34
1921-22	4.44	3.56⅝

Note:—Although immediately prior to the war the pound sterling was rated at $7 it is considered doubtful if there was any business transacted at more than $5 to the pound.

The necessity of maintaining the exchange rate of the pound sterling in relation to the U. S. dollar may best be judged when it is realized that a drop of 5 cents on the exchange would have meant a loss of $50,000 in every $5 millions of purchases made in the U. S.

In view of the magnitude of the scheme, administration costs were relatively small. Expenses from inception to March 31, 1922, totalled $47.6 millions, composed of: Establishment expenses, $1.2 millions, additional allowances of ½ of 1% annually $43.1 millions; commissions, $3.1 millions and transfer fees; $219,690.

Winding up of the work of the Commission was a prolonged affair. By March 1, 1920, most of the securities not returned to their owners were those either pledged as collateral or subrogated to the U. S. Treasury. At this date there were still 984 securities on deposit. On June 18, 1920, the Treasury authorized the return of any unpledged securities where the amount on deposit was $50,000 or less. Other pledged securities were ordered returned as soon as freed. By March 31, 1922, all deposited securities were returned.

Of the securities deposited, totalling $2,191.6 millions, there were sales and releases in New York of $530 millions, and $1,660 millions was returned to depositors.

In addition to these expenses, the Treasury paid J. P. Morgan & Co. commission on sales and releases of $212,910. Fees, for insurance, allowances, etc., paid to this firm totalled $152,974. Bank of England charges totalled $316,015.

Loss on all transactions is estimated at $7,277,630. The total cost of the scheme may therefore be listed as follows:

Gross Cost of Scheme (Approximately $5 to the £)

Estimated loss	$7,277,630
Total admin. exp.	47,630,625
J. P. Morgan & Co., com.	212,910
J. P. Morgan & Co., fees	152,974
	$55,274,139

Only $1,000 Lost

In view of the huge sums handled by the various agencies involved in the scheme from 1915 to 1922 the $1,000 of securities lost in transactions between Britain and the U. S. agency is extremely small.

In reviewing the list of U. S. and Canadian securities deposited and purchased by the British Treasury during this period the most notable feature is the vastly changed status of securities from this time to the outbreak of the present war.

British interest in the financing of U. S. railways and utilities is largely reflected by publication of this list by the American Dollar Securities Commission.

As indicated previously the percentage of Canadian securities to U. S. securities sold and deposited is relatively small.

Canadian securities shown by the Commission as deposited and sold were as follows:

Canadian Bonds

	Purch. $	Loan Depos. $
Alberta, 4½/24	2,500	293,500
Algoma Central, B	5,000	......
Bell Tel., 5/25	2,304,000	1,093,000
P. Burns, 6/31	......	25,000
Can. Cement	17,000	......
Can. Northern, 4½/16 series O	25,000	......
C.P.R. Equip., 4½/ 1927-38	5,000	......
C.P.R. 4½/26-7-8	50,000	......
C. P. R., 6/24	22,614,380	5,319,820
Can. South. Ry., 5/62	1,033,000	176,000
Cedar Rapids, 5%	1,212,300	1,461,200
Dom. Coal, 5/40	330,000	495,500
Dom. Iron, 5/29	100,000	381,000
Dom. Pwr., 5/32	50,000	......
Elec. Devel. of Ont. 5/33	14,500	......
Man. & S. West., 5/34	76,000	128,000
Montreal, 3½/39	20,000	......
Montreal, 4/25	......	1,500
Mtl. Pwr., 4½/32	924,000	928,000
Mtl. Pwr., 5/33	171,000	145,000
Mtl. St. Ry.	......	35,000
Mtl. Trams., 5/41	177,000	818,500
Mtl. Trams., 6/17	11,000	......
Ont. Pwr., 5/43	178,000	108,000
Ont. Trans., 5/45	3,000	......
N. Ont. Lt., 6/31	358,000	......
Penmans, 5/26	11,500	......
Mtl. Schools, 4/39	......	50,000
Prov. Lt., 5/46	......	95,000
Quebec, 4½/49 (guar.)	......	25,000
Sault Bridge, 6/37	......	235,000
Shawinigan Pr., 5/34	155,500	27,500
Steel Co., 6/19	10,000	......
Steel Co., 6/40	35,300	107,000
Toronto Radial Ry., 5/19	25,000	......
Toronto, 4½/24	100,000	30,000
T. H. & B., 4/46	112,000	212,000
T. H. & B., 4½/22	150,000	......
Toronto debs.	......	25,000
Winnipeg Elec.	50,000	275,000
	29,406,480	11,562,520

Canadian Shares

Bell Tel., com.	......	17,000
Burns Bros., com.	135,222	......
Burns Bros., pref.	60,000	176,500
Can. Cement, pref.	56,000	......
Can. Southern	......	5,000
C. P. R., com.	5,855,900	126,750,400
Cedar Rapids, com.	100	......
Dom. Coal, pref.	......	5,500
Dom. Steel, pref.	10,000	10,000
Inter. Nickel, com.	62,700	......
Inter. Nickel, pref.	81,800	38,000
Mtl. Pwr., com.	4,500	14,300
Nipissing Mines	3,500	......
Ont. & Que. Ry., c.	......	6,500
Riordon, pref.	8,300	......
Shawinigan Pwr., c.	33,200	15,500
Steel Co., pref.	387,800	401,700
	7,623,022	128,368,400

C.P.R. Holdings High

Because of the fact that the list of securities purchased and deposited does not specify which securities are considered Canadian, there is a discrepancy in the total presented by the compilation shown above and the official estimate.

In addition to the dollar securities obtained by the Treasury, there were large amounts of Canadian sterling bonds and shares turned over for purchase of deposit with the British Government. Much of this was government and government-guaranteed debt. Prior to the Great War, Great Britain was the principal money market for the Dominion. Large sums of C.P.R. and other railway debt was held by British investors. In all there were $139 millions of sterling bonds purchased and $575.8 millions loaned.

C.P.R. bonds with Canadian pay and common stock accounted for 99.43% of Canadian securities sold to and deposited with the Treasury. These securities were also equivalent to 18.2% of the total American dollar securities held. There were in addition $40 millions of 4% debenture stock previously mentioned.

Rails Decline

Status of many of the stocks involved in the 1914-18 movement, particularly obligations of South American countries, has undergone considerable change since they were returned to their owners or sold in New York.

Railway obligations which figured prominently in the list have, with few exceptions deteriorated substantially from their wartime position.

South American issues have also fallen drastically from the price levels that prevailed when the Bank of England published its first list of bids.

C.P.R. consolidated debenture stock was quoted at 83½. Current New York quotations on this stock are 67⅛ and the Canadian quotations is around 74.

A comparison of prices then and now accents the altered position of many such securities:

Comparison of Bond Quotations

	N.Y. Nov. 1 1939	1st sched. 1916
Chile, 6¾/61	14½	....
Chile, 6/63	14⅝	....
Chile, 5	....	83¾
Chile, 4½	....	72⅛
Copenhagen, 5/52	54	....
Copenhagen, 4½/53	53	....
Copenhagen, 4/08	....	86⅝
Copenhagen, 4/10	....	86⅝
Denmark, 6/42	74½	....
Denmark, 4½/62	53¾	....
Denmark, 3/97	....	71⅛
Denmark, 4/12	....	90¾

Values Radically Changed

While it is exceedingly difficult to make comparisons with a spread of 23 years, it is apparent that many of the obligations of foreign governments have undergone much change in the intervening period.

One of the most interesting features of the list of stocks purchased and deposited is the prominence of C.P.R. Majority of this stock is still held by British investors, and it is within the realms of possibility that it will once again play a prominent rôle in Great Britain's repatriation arrangements. A certain amount of speculation has centred around what acquisition of the C.P.R. common stock by the Canadian Government would mean.

At the end of 1938, 53.06% of the company's common stock was held in Great Britain, as well as 94.97% of the outstanding preference.

Many other securities, which are still well known to Canadian investors, but are U. S. organizations, were marshalled during the last war. Securities of Duluth, South Shore, International Paper, Minneapolis, St. Paul and S.S. Marie, and Minnesota and Ontario Power Co. were included. There were many U. S. rails guaranteed by either C.P.R. or C.N.R., such as Arroostock Valley R.R., Central Vermont Ry., Chicago and W. Indiana R. R., Duluth South Shore, Soo Line, and Spokane International Ry.

New Replaces Old

These guaranteed issues in the majority of cases have undergone deterioration. Bondholders of Soo Line and C.P.R. are involved in ligigation over the extent of the guarantee.

It is highly probable that if the securities taken over by the British Treasury in the war period were revalued on the basis of present prices, total values would have to be modified considerably.

While the position of the rails has weakened there are many Canadian stocks held by British investors that have risen to take their place. There appears a strong possibility that Canada will emerge from any prolonged conflict as a creditor nation, much in the same fashion as the U. S. did in the last world war.

There remain many imponderables in the present situation. The extent to which Great Britain will be forced to support the pound, or the extent to which it will repatriate Canadian and U. S. securities is problematical. There are many other questions unsettled. There is the length of the war, which is entirely unpredictable in this phase.

New Books . . . . . .

"Live and Learn" Books

HOW TO ARRANGE A PUBLIC DINNER. By W. G. Frisby. Price 30 cents.

THE CONDUCT OF A MEETING. By W. G. Frisby. Price 30 cents.

THE CORNER STONE OF DEMOCRACY. By John MacDonald. Price 40 cents.

All published by Ryerson Press, Toronto.

These little paper bound books provide helpful guidance on many subjects. The three in this group will be of great value to officers of clubs, societies, discussion groups, etc. Very little, if anything, has been overlooked in "How to Arrange a Public Dinner." If all club presidents and secretaries were required to study the volume, the world would be safer for democracy and much of the public's time would be saved. "The Conduct of a Meeting" will be of particular service to people whose desire to do the right thing exceeds their understanding of even the simplest parliamentary methods.

"The Corner Stone of Democracy" gives good advice on the conduct of discussion groups.

The series is under the general editorship of E. A. Corbett, whose vocation is adult education.

Kremlin Mystery Man

STALIN. By Boris Souvarine. Published by Longmans, Green and Co., Toronto. Price $4.50.

Clifton Fadiman says that the two books most helpful in enabling one to understand the background of what is going on in Europe today are Rauschning's "The Revolution of Nihilism" and Souvarine's "Stalin." This reviewer is prepared to underscore that judgment.

The biography of Stalin is offered as "the definitive biography." This claims too much. No definitive biography of any man can be written in his lifetime. But the author has searched the records of Bolshevism and has probed the mysterious mind of the Russian dictator as no man has previously done and has found ample material to fill nearly 700 pages of historical analysis and psychological study. He cannot be called a friendly commentator. His volume is a record of the great betrayal of Russia by the ex-cobbler's son who now rules so ruthlessly over the destinies of 185 million people.

Souvarine makes it easier for us to understand some of the fantastic news from Russia. Yet even his full length portrait of Kremlin's scared rat and murderer does not tell us what Russia's rôle will ultimately be in this war, although he does make it clear that Stalin's hopes embrace a desire for a general world war that would weaken all other nations.

The author sees Stalin policy as playing into the hands of Hitler and the dynamic Nazis. Would he hold to this judgment after having witnessed recent events? Is it Stalin that has fallen into the Hitler trap or Hitler who is now firmly caught in Stalin's maw?

As biography "Stalin" is a masterpiece. It must be frightfully embarrassing to the softheaded friends of Soviet Russia and the Communist "experiment" who (at least until recent days) have infested our churches, clubs and schools. Suitable punishment for them would be to make them read this volume five times through.

It is more than biography. It is history. Lenin and Trotsky take up almost as much space as Stalin himself.

Read along with de Basil's "Russia under Soviet Rule," Souvarine's "Stalin" is an education in modern dictatorship and the law of the lawless. It is an amazing revelation of how men whose "strength" lies almost entirely in their capacity for violence can rise to the top of a mass movement.

Written and Rewritten

WE MUST BE FREE. By Leslie Roberts. Published by the MacMillan Co. of Canada, Toronto. Price $2.50.

Leslie Roberts' volume is in effect a book length editorial on Canada today. Written before the war broke out, the book is said to have been completely re-written in eleven days after the war was declared.

It is a study of such diverse problems as the padlock law, relief, railways, and the horrors of "entrenched wealth." But the chief purpose in Mr. Roberts's discussion is to show that freedom is drying up in Canada. The unhappy menaces to freedom that he cites are mainly bogeys and even his vivid writing makes them seem little more than that.

New Building

Dominion Preserving Co., Montreal, is planning for $50,000 extension of its plant buildings, work to start early next year.

Quebec Dept. of Public Works has started preliminary work on construction of $225,000 courthouse project at Rouyn, Que.

Canadian Greyhound Lines Ltd. is having plans drafted for construction of $200,000 bus terminal at Windsor.

Dominion Dept. of Public Works reportedly has selected site for $250,000 public building at Peterborough, Ont.

Chrysler Corp. of Canada has had preliminary plans prepared for additions to its plants at East Windsor, Ont., with construction planned to start next spring.

John Bertram & Sons Co., Dundas, Ont., is contemplating future construction of $160,000 plant addition.

War Supply Board, Ottawa, is checking tenders for construction of Bren gun test range at Toronto plant of John Inglis Co.

Paramount Windsor Theatres, Windsor, Ont., is having plans drawn for new theatre building to seat 750 persons.

Dr. Leopold Stein and associates, formerly of Czecho-Slovakia, are planning establishment of $30,000 household glass factory at Oshawa, Ont.

Dominion Dept. of Public Works is receiving tenders to Nov. 29 for railway wharf repairs and improvements at Charlottetown, P.E.I., cost of which is estimated at $359,000.

Niagara Parks Commission has awarded contract for construction of Queenston Heights Refectory at Queenston, Ont.

Reported by Engineering & Contract Record:

Gardiner & Mercer, Vancouver architectural firm, is preparing plans and specifications for proposed new Shaughnessy Military Hospital at Vancouver, cost of which is estimated at $650,000.

Dominion Bridge Co. has steel contract in connection with rebuilding of mill and grain storage elevator for **Ogilvie Flour Mills Co., Montreal.**

Robert Mitchell Co., Montreal, has contract for steel stairs for $4.5 millions plant being constructed at Kingston, Ont., for Aluminum Co. of Canada.

Aluminum Co. of Canada has awarded contract for 54 dwellings at Arvida, Que., estimated cost is $200,000.

CANADA'S BIGGEST COOK

NEW MENU SYSTEM . . .

Miners no longer bolt into the cookhouse to reach and fight for the best on the table. In Crawley & McCracken-managed camps all meals are menu meals, giving each man the right to order his choice. His meal is then served to him just as he likes it, direct from the kitchen—no rush, no confusion, no grounds for resentment.

CRAWLEY & McCRACKEN
COMPANY, LIMITED
MONTREAL

COTTON FABRICS
AND YARNS

TEXTILE DOMINION CO·LTD

COLONIAL Sheets and Pillow Slips

MAGOG Fastest Fabrics

DOMINION TEXTILE
COMPANY, LIMITED
THE TEXTILE BUILDING, VICTORIA SQUARE, MONTREAL

3.20 P.M.

"I can get the figures in a minute!"

Long Distance telephone service is built to meet the most urgent and exacting needs of business. Day and night in every part of the world you can reach for the telephone confident you will "get the figures in a minute."

3.25 P.M.

"O.K. — now what about delivery?"

Every businessman admires initiative, energy and accuracy. Because speed is important in business, success is achieved by quick thinking — often aided by the Long Distance telephone as in this instance.

"That telephone call clinched it!"

The head of every business — large or small — welcomes initiative; is ever ready to promote men who act fast on their own. Long Distance telephone service is an asset to every business. Those who use it to best advantage benefit most.

●

Long Distance telephone service is on duty day and night. Low Night Rates apply after 7 p.m. and all day Sunday.

THE BELL TELEPHONE COMPANY OF CANADA